# INVITATION FOR PROPOSAL

Package: **REPAIR & OVERHAUL FOR HGT1700 APU DURING 2027-2031**

To: **MROs**

Vietnam Airlines JSC (Inviting Party) invites qualified MROs to submit proposals for the repair and overhaul of HGT1700 APU (P/N: 70720041-00) for the A350 fleet during 2027-2031. Details are as follows:

**Vietnam Airlines JSC**

**200 Nguyen Son, Long Bien District, Ha Noi, Viet Nam**

**Attention: Mr. Hoang Hai Ho**

**Director – Supply and Material Management Department**

**Repair & Overhaul for HGT1700 APU during 2027-2031**

**E-MAIL:** hohh@vietnamairlines.com
tutranngoc@vietnamairlines.com;
ducha@vietnamairlines.com;
camnv@vietnamairlines.com

Details of technical, commercial and related service requirements are specified in this RFP and its attached forms.

Deadline for Proposal Submission: **16h00 Friday, 10th Deceber 2026**

Please contact the above address for further information if needed.

Hanoi, 25th November, 2026

**On behalf of Vietnam Airlines JSC**
**Supply and Material Director**

**Hoang Hai Ho**

# CONTENTS


REQUEST FOR PROPOSAL ..... 1

PART I ..... 4

GENERAL REQUIREMENTS ..... 4

**A. ABBREVIATION AND DEFINITIONS.** ..... 4

**B. INSTRUCTIONS TO MROS** ..... 7

1. Documents Establishing MRO's Eligibility and Qualification ..... 7
2. Cost for Preparing Proposal ..... 7
3. Format and Signing of the Proposal ..... 7
4. Currency ..... 7
5. Proposal Price ..... 7
6. Valid of the Proposal ..... 8
7. The Rights of Use the Proposal ..... 8
8. Clarification of RFP ..... 8
9. Amendment of RFP ..... 8
10. Submission of Proposal ..... 9
11. Deadline for Submission of Proposal ..... 9
12. Modification and Withdrawal of the Proposal ..... 9
13. Opening the Proposal ..... 9
14. Proposal Evaluation ..... 9
15. Clarification of Proposal ..... 9
16. General Conditions ..... 9

PART II ..... 10

HGT1700 APU REMOVAL PLAN AND WORKSCOPE ESTIMATION ..... 10

PART III ..... 11

PROPOSAL EVALUATION CRITERIA ..... 11

**A. Main principles for evaluating Proposal submitted by prospective MRO:** ..... 11

**B. Evaluation on Proposal** ..... 11

1. **Evaluation on Eligibility Requirement** ..... 11
2. **Evaluation on Financial and Commercial** ..... 12
3. **Evaluation on Additional Proposal** ..... 14
4. **Grade the Proposals and make the selection** ..... 14

PART IV ..... 15

FORMS OF PROPOSAL TO BE PREPARED BY MRO ..... 15

Form No.1a: Letter of Proposal Submission ..... 15

Form No.1b: Power of Attorney ..... 16

Form No.2: Eligibility Requirements: N/A ..... 17

Form No.3: Eligibility Requirement ..... 18

Form No.4: Pricing and Major Terms ..... 19
Form No.5: ..... 27
CONTACT POINT FOR SUPPLIER SUBMIT ACCEPTANCE PROCEDURES FORM AND ACCEPTANCE PROCEDURES FORM ..... 28
PART V ..... 29
DRAFT CONTRACT ..... 29

# PART I

# GENERAL REQUIREMENTS

## A. ABBREVIATION AND DEFINITIONS.

**BER (Beyond Economical Repair):** for individual Material (other than the complete APU), the estimated cost to restore serviceability exceeds 70% of the then-current OEM Catalogue List Price (CLP). For the complete APU, BER means the estimated repair cost exceeds 70% of the then-current APU CLP. The MRO shall quote a separate BER fixed price or firm price ceiling for the complete APU, subject to VNA approval of the technical findings and repair/disposition proposal.

**CAAV:** Civil Aviation Authority of Vietnam

**Component:** the part designated by part number and serial number (if applicable) that may be removed/installed from/on an APU system and be tested/repaired/overhauled/modified/ exchanged (Rotable or Repairable)

**Consumable:** a Part which can only be used once and is replaced irrespective of apparent condition during the course of removal, maintenance, repair, overhaul or inspection

**Current Catalogue Price"** or **"Manufacturer's Latest List Price:** the latest published catalogue price of the original Manufacturer.

**EASA:** European Aviation Safety Agency

**Expendable:** means any item which no authorized repair procedure exists and for which cost of repair would normally exceed that of replacement

**FAA:** Federal Aviation Administration

**Light Repair:** A maintenance workscope performed in accordance with the applicable OEM repair manuals, as necessary to rectify identified defects and restore the APU to a serviceable condition, involving the following activities:

- Affected module/LRU disassembled only to the extent necessary to rectify a specific finding
- Disassembled parts or assemblies inspected to IRM Continue-Time Check, and/or General Check, whichever is applicable
- After assembly, APU tested to performance standard necessary to certify the APU serviceable

Medium Repair (Refurbishment): A maintenance workscope performed in accordance with the applicable OEM repair manuals, which can restore the hot section performance of the APU sufficient to operate a full Shop Visit Interval, that includes, at a minimum, the following activities:

- Affected module fully disassembled
- Gas path components, rotating parts, seals and bearings are cleaned and inspected as per IRM Continue-Time Check, and repaired or replaced as necessary
- All carbon seals and the mating (axial) seal runners replaced by new
- Main rotor bearings replaced with new to ensure highest bearing integrity and reliability
- After assembly, APU tested to highest performance standard.

**Heavy Repair (Overhaul):** A maintenance workscope performed to meet the definition and requirements of "Overhauled" as specified in the applicable OEM repair manuals, that includes, at a minimum:

- Load/driven compressor, engine compressor and turbine section fully disassembled.
- Compressor impellers/rotors, turbine rotors/disks and tie shaft inspected per IRM Zero-time Check.
- Gearbox repaired as necessary.
- LRU's (components) repaired as necessary.
- APU tested to highest performance standard.

**LLP**: Life limit part – means a part with an approved limitation on use in cumulative flight hours or flight cycles, established by the OEM or the aviation authority.

**LRU:** Lines Replacement Unit – means Component replaceable at the aircraft level (i.e., has aircraft maintenance manual removal/installation instructions). For APUs, typically refers to control system components that are replaced without removing the APU.

**MRO:** Maintenance Repair Organizations

**NTE:** Not to Exceed, subject to Table 4 of Form No. 4 of this RFP.

**Repairable:** means Part of an APU which may be economical to repair to a serviceable condition.

**RFP:** Request for Proposal

**Rotable:** a Part for an APU which may be economically repaired to a serviceable condition and which in the normal course of operations is repeatedly rehabilitated to a serviceable condition except when it is Beyond Economical Repair (BER).

**Shop Visit Interval:** the average worldwide mean t ime between removals for APU of the same model in a similar operating environment.

**TAT means Turn around time which** is calculated from the date of APU induct MRO shop to the date the APU is serviceable and ready for shipment)

**USD:** United State Dollar

**VNA:** Vietnam Airlines JSC

**APU**: shall mean the HGT1700 Auxilliary Power Unit

**Contractor**: the entity awarded this Agreement.

**DOD** (Domestic Object Damage (internal-origin damage)): damage to a component or engine caused by objects originating from within the engine, APU, or component itself, including but not limited to liberated parts, internal debris, or material failure. The classification of damage as DOD shall be subject to mutual agreement between the Parties based on technical evidence

**DER (Designated Engineering Representative):** an individual authorized by an aviation authority to approve engineering data and certify compliance with applicable airworthiness requirements.

**DOA (Design Organisation Approval):** an approval granted by the aviation authority (typically EASA) to an organization, authorizing it to design, approve, and certify aircraft or component modifications and repairs in compliance with applicable airworthiness requirements.

**FOD (Foreign Object Damage):** damage to a component or engine caused by ingestion or impact of external objects not originating from within the engine, APU, or component, including but not limited to sand, dust, tools, or other foreign materials. The classification of damage as FOD shall be subject to mutual agreement between the Parties based on technical evidence

**Line item:** a group of parts installed on the APU with the same description and functionally such as vances or blades of the same stage

**N/A:** Not applicable

**Non-LLP Material**: any new material, part or component required for the repair of the APU, excluding LLPs.

**OEM**: Original Equipment Manufacturer

**Subcontractor**: any Person approved in writing by Contractor, in accordance with this Agreement, to perform any part of the work hereunder. This may include Affiliates Contractor, joint ventures in which Contractor or its Affiliates hold an equity interest, and entities engaged by such joint ventures to perform the work.

**WPG (Work Planning Guide):** a guidance document issued to support the planning of maintenance workscopes, including repair, modification, and restoration levels. Its purpose is to enhance planning efficiency, component availability, and reliability. The WPG is supplementary in nature and shall not supersede any approved maintenance documentation or binding contractual requirements.

## B. INSTRUCTIONS TO MROS

### 1. Documents Establishing MRO's Eligibility and Qualification

MRO shall furnish, as part of its Proposal, the following documents establishing the MRO's eligibility to the Proposal and its qualification to perform the Agreements if its Proposal is accepted:

- Valid EASA and FAA maintenance organization approval (or an applicable authority-approved equivalent accepted by VNA/SQD), explicitly covering HGT1700 APU repair/overhaul and release certification; evidence of the applicable rating, capability list, approved shop location, and test-cell capability shall be submitted. Any alternate approval route must be accepted in writing by VNA/SQD before contract award.
- Accepted by CAAV for maintenance organization which repair and overhaul HGT1700 APU. In case MRO has not been approved by CAAV, MRO have to confirm by writing to acquire CAAV certificate before entering the contract with VNA.
- Approval by Safety & Quality Dept of VNA (SQD) for maintenance organization which repair and overhaul HGT1700 APU. In case MRO has not been approved by SQD, MRO have to confirm by writing to acquire SQD approval before entering the contract with VNA.

The MRO shall identify its maintenance/engineering capabilities, principal HGT1700 repair shop and test-cell location(s), intended subcontractors and subcontracted work, and provide evidence of their approvals. Post-award changes to repair locations or material subcontractors are addressed in Form No. 4, Annex 3 (Shop Capacity and Approvals).

### 2. Cost for Preparing Proposal

The MRO shall bear all costs associated with the preparation and submission of its Proposal.

### 3. Format and Signing of the Proposal

The "Letter of Proposal Submission" and clarification documents of the Proposal must be signed by a legal representative or the authorized representative of the MRO (Power of Attorney in Form No.1b must be included). In addition, a company stamp is requested if MRO is a Vietnamese registered company.

The Proposal shall contain no interline, erasures or overwriting except as necessary to correct errors made by the MRO in which case such corrections shall be initialed by the person signing the Proposal.

### 4. Currency

The currency in the Proposal will be United States Dollars (USD).

### 5. Proposal Price

1.1 Proposal Price is the HGT1700 APU Repair & Overhaul price quoted by MRO in Form No. 4 (Pricing and Major Terms), including NTE, labor, material and other commercial terms.

1.2 Proposal Price level and validity:

The NTE price base year shall be 2027. Prices, labor rates, discounts, handling fees and caps shall follow the fixed-price provisions in Form No. 4.

MRO shall provide a fixed annual escalation rate for NTE prices, starting no earlier than 01 January 2028 (2027 being the base-price year); if MRO does not offer a fixed escalation, MRO should provide a calculation of its proposed rate.

In case MRO offer the quoted price with annual escalation under formula but without a CAP, the annual escalation assumption of 5% will be used solely for evaluation; the MRO must still propose a binding contractual annual maximum escalation, failing which the proposal may be treated as non-responsive.

MRO shall quote NTE and all T&M prices on a common 2027 USD basis, identifying any proposed price adjustment, annual cap, cumulative cap, OEM CLP pass-through, supplier/subcontractor surcharge and tax separately. No cost or surcharge may be charged in addition to an agreed NTE for services included within that NTE. Any price adjustment must be expressly agreed in the executed contract.

## 6. Valid of the Proposal

The Proposal shall remain valid for at least 90 days from the deadline. A Proposal, which is valid for a shorter period may be rejected by VNA and considered as non-responsive. In exceptional circumstances, VNA may seek the MRO's consent to an extension of validity with the Proposal's content remained unchanged. If MRO refuses to extend the Proposal's validity, the Proposal shall be rejected. The requests and the responses thereto shall be made in writing and sent by post or email.

## 7. The Rights of Use the Proposal

The MRO acknowledges that VNA must retain all documents submitted in response to this RFP to enable it to evaluate proposals and record keeping. Accordingly, documents are submitted by the MRO in response to this RFP on the basis that they will become the property of VNA and that VNA may use the information contained in those documents for evaluation purposes, the preparation of any subsequent Agreement, and may copy the documents for that purpose.

## 8. Clarification of RFP

The MRO may request VNA to provide further clarification, information to any point, which is not clear enough in the RFP. MRO's written request should be received by VNA no later than 03 working days prior to the deadline for submission of Proposal. VNA shall respond in writing to any requests of clarification as soon as possible prior to the deadline for submission of Proposal.

## 9. Amendment of RFP

At any time prior to the deadline for submission of Proposal, VNA may, for any reason, add and/or amend some points in the RFP. The addition and/or amendment shall be notified in writing by email to all prospective MROs. VNA may, at its discretion, extend

the deadline for submission of Proposal and the opening date of the Proposal, and VNA shall inform by email to MROs the above extension.

**10. Submission of Proposal**

Proposal shall be submitted to VNA directly or by post or via email.

**11. Deadline for Submission of Proposal**

**16h00 Friday, 10th Deceber 2026** or another date to be announced by VNA by email.

Proposal must be received by VNA at the address mentioned in the Invitation Letter of this RFP before the Deadline. Any Proposal received by VNA after the Deadline may be rejected. However, for the benefit of VNA, VNA may, at its discretion, extend the deadline for submission Proposal. This extension shall be informed in writing to all MROs by email.

**12. Modification and Withdrawal of the Proposal**

MRO may modify or withdraw its Proposal after Proposal's submission, provided that the modification or written notice of withdrawal is received by VNA prior to the deadline for submission of Proposal.

The MRO shall not modify its Proposal or propose additional proposal terms after the deadline for submission of Proposal - if not requested by VNA.

**13. Opening the Proposal**

VNA shall open the Proposal at VNA's head office after the Deadline.

**14. Proposal Evaluation**

Proposal shall be evaluated in accordance with Part III "Proposal Evaluation Criteria" enclosed in this RFP. The final selection is subject to certain conditions including but not limited to VNA management's approval.

**15. Clarification of Proposal**

To assist the evaluation of Proposal, VNA may require the MRO to clarify its Proposal. The request for clarification and the response shall be in writing.

**16. General Conditions**

VNA reserves the rights to accept or reject any Proposal, and to annul the Proposal process and reject all Proposal at any time prior to award of Agreement, without thereby incurring any liability to the affected MRO or any obligation to explain the affected MRO of the grounds for the VNA's action. VNA shall inform the MROs in the case of annulling all the Proposal or the selection process.

## PART II
## HGT1700 APU REMOVAL PLAN AND WORKSCOPE ESTIMATION

### HGT1700 APU (P/N: 70720041-00) – Planned APU removals during 2027-2031

| STT | APU SN | Removal date | Work Scope | Module repair level | | | LLP replacement |
|---|---|---|---|---|---|---|---|
| | | | | Power section | Load section | Gear box section | |
| 1 | P-00440 | 28/03/2027 | Medium Repair | Medium | Medium | As necessary | Not Planned |
| 2 | P-00391 | 5/4/2027 | Medium Repair | Medium | Medium | As necessary | Not Planned |
| 3 | P-00408 | 13/08/2027 | Medium Repair | Medium | Medium | As necessary | Not Planned |
| 4 | P-00293 | 4/11/2027 | Medium Repair | Medium | Medium | As necessary | Not Planned |
| 5 | P-00125 | 26/12/2027 | Medium Repair | Medium | Medium | As necessary | Not Planned |
| 6 | P-00124 | 6/5/2028 | Medium Repair | Medium | Medium | As necessary | Not Planned |
| 7 | P-00263 | 17/05/2028 | Medium Repair | Medium | Medium | As necessary | Not Planned |
| 8 | P-00194 | 26/11/2028 | Overhaul | Overhaul | Overhaul | As necessary | Not Planned |
| 9 | P-00255 | 22/05/2029 | Medium Repair | Medium | Medium | As necessary | Not Planned |
| 10 | P-00199 | 1/9/2029 | Overhaul | Overhaul | Overhaul | As necessary | Not Planned |
| 11 | P-00113 | 14/09/2029 | Medium Repair | Medium | Medium | As necessary | Not Planned |
| 12 | P-00116 | 23/10/2029 | Medium Repair | Medium | Medium | As necessary | Not Planned |
| 13 | P-00120 | 2/2/2030 | Medium Repair | Medium | Medium | As necessary | Not Planned |
| 14 | P-00178 | 4/4/2030 | Overhaul | Overhaul | Overhaul | As necessary | Not Planned |
| 15 | P-00250 | 4/4/2030 | Medium Repair | Medium | Medium | As necessary | Not Planned |
| 16 | P-00301 | 29/11/2030 | Medium Repair | Medium | Medium | As necessary | Not Planned |
| 17 | P-00440 | 1/4/2031 | Medium Repair | Medium | Medium | As necessary | Not Planned |
| 18 | P-00391 | 8/4/2031 | Medium Repair | Medium | Medium | As necessary | Not Planned |
| 19 | P-00408 | 16/08/2031 | Medium Repair | Medium | Medium | As necessary | Not Planned |
| 20 | P-00293 | 8/11/2031 | Medium Repair | Medium | Medium | As necessary | Not Planned |
| 21 | P-00125 | 12/7/2031 | Medium Repair | Medium | Medium | As necessary | Not Planned |
| 22 | P-00124 | 18/04/2031 | Medium Repair | Medium | Medium | As necessary | Not Planned |

NOTE:

- *The 22 preliminary shop visits represent a non-binding planning Base Case only. For the additional reference quotations used in proposal assessment, see Part III.B.2 (G1).*
- *For each shop visit, VNA will provide the APU general condition and require MRO inspection (including borescope, where applicable), followed by VNA's written approval of the proposed workscope before work starts.*
- *If any removed LLP is determined to be scrap and is replaced by a used LLP, such replacement LLP shall be of equivalent or better status, utility and modification standard than the removed LLP, and shall have not less than 7,000 remaining APU flight cycles. If the parts have lower modification / value, MRO need to get VNA's approval on a case by case basis.*
- *This removal schedule is provided for planning purposes only. The actual removal timing, quantity and APU serial numbers shall depend on VNA's operational requirements and shall be subject to VNA's final decision. VNA intends to enter into agreements with qualified MROs on a non-exclusive basis and does not commit to award any specific number of APUs to any particular MRO facility. At the time of each APU removal, VNA reserves the right, at its sole discretion, to select the shop*

*offering the best overall evaluation, including but not limited to cost, turnaround time and technical capability.*

## PART III
## PROPOSAL EVALUATION CRITERIA

### A. Main principles for evaluating Proposal submitted by prospective MRO:

All documents enclosed in set of MRO's Proposal, are integral parts of MRO's Proposal. In case there is any discrepancy of one factor (relating to the same criteria) between two or more documents enclosed in MRO's set of Proposal, VNA shall take into calculation and evaluation the highest prices/rates (for cost elements), or the worst/disadvantage conditions for VNA, in order to avoid risk for VNA.

### B. Evaluation on Proposal

The evaluation shall comprise (i) mandatory qualification and minimum contract conditions (Pass/Fail), (ii) normalization of evaluated cost under the published formula, and (iii) technical/service confirmation including TAT and spare support. The same assumptions and evaluation method shall be applied to every compliant MRO.

Step 1: Evaluation on Eligibility Requirement

Step 2: Evaluation on Financial and Commercial

During evaluation, if proposal is unclear or fails to meet any requirement, VNA shall clarify or request MRO to confirm its acceptance. Any prospective MRO refuses this request, the MRO's Proposal shall not be considered accordingly.

#### 1. Evaluation on Eligibility Requirement

MROs will nominate either "C" for Comply fully or "NC" for Non-Comply for all criteria provided in Eligibility Matrix. VNA requires MROs to comply with all mandatory criteria.

**Eligibility Matrix:**

| No | Criteria | Status (C/NC) | Comment |
|---|---|---|---|
| 1 | Having Letter of Proposal Submission (Form No. 1a Part IV) signed by a legal representative or an authorized person of the MRO. And having Power of Attorney when the Proposal is signed by the authorized representative of the MRO (Form No. 1b Part IV)"; | | |
| 2 | Price schedule form must comply with VNA's form detailed at Annex 1, Annex 2, Annex 3 and Table 4 (NTE). | | |
| 3 | Proposal Submission time meets deadline as per Item 11 Part I.B and Validity of Proposal meets requirement of at least 90 days from the deadline of submission | | |
| 4 | Having valid Documents Establishing MRO's eligibility and qualification as requested in Item 1, Part I.B of this RFP as follows: | | |
| *4.1* | *Approval by EASA and/or FAA for maintenance organization which repair and overhaul HGT1700 APU.* | | |
| *4.2* | *Approval by CAAV for maintenance organization which repair and overhaul HGT1700 APU. In case MRO has not been approved by* | | |

| | | | |
|---|---|---|---|
| | *CAAV, MRO have to confirm to acquire CAAV certificate before entering the contract with VNA.* | | |
| *4.3* | *Approval by Safety & Quality Dept of VNA for maintenance organization which repair and overhaul HGT1700 APU before entering the contract with VNA.*<br>*In case the MRO has not been approved by SQD-VNA, then at the time of Proposal submission, the MRO is required to fill in all Application Forms as per Form No.5 and confirm to acquire VNA approval before entering the contract with VNA.*<br>*(*) Guideline of Supplier Acceptance Procedures and submission form to VNA's Safety & Quality Dept are as per Form No. 5 attached.* | | |

## 2. Evaluation on Financial and Commercial

**Financial/Commercial Assessment Matrix**

For A350, all mandatory technical and contractual requirements shall be assessed on a Pass/Fail basis before financial ranking. MROs shall state committed TAT for each workscope, induction capacity and the spare-APU assistance arrangement. Only compliant offers shall proceed to the evaluation of G1–G4 using the common 2027 Base Case and reference scenarios.

| No | Criteria |
|---|---|
| **G1** | NTE pricing (Inclusions & Exclusions agreed/accepted) |
| **G2** | Transportation (from HAN/SGN airport (as applicable) to MRO and vice versa) |
| **G3** | Payment term and schedule |
| **G4** | Other commercial support (if any) which can be evaluated. |

VNA shall evaluate all financial and commercial conditions by establishing evaluation price which is offered by MRO after correction of any errors (including arithmetical and typing errors), adjustment of discrepancies (if any). The financial and commercial conditions are taken to the same level of evaluation before making comparison.

Correction of errors: if there are any arithmetical or typing errors in the Proposal, the errors will be rectified by VNA.

Adjustment of discrepancies means the adjustment of insufficient or excess contents in terms of the requirements as stated in VNA's RFP. Accordingly, the insufficient content price shall be added or the excess content price shall be deducted in accordance with the principle that, VNA shall take one of the following data (whichever the higher) into calculation: (i) the highest offering price of same content from other MRO; or (ii) the referenced price of same content from the current VNA's contract for Repair/Overhaul on HGT1700 APU, normalized to the same 2027 price basis and evaluation years using the annual adjustment assumptions stated in this RFP, with no double counting.

VNA will convert the following terms and conditions (including standardized reference cases) into evaluation price. Evaluated price (Gdg) will be the collective price and determined as follows:

**Gdg = G1 + G2 + G3 +/- G4**

- **G1:** Estimated collective NTE price for the 22 planned HGT1700 APU shop visits in Part II (Base Case), using the quoted applicable workscope and each applicable year's

binding escalation. Reference quotations: In addition to the 22-visit Base Case, MRO shall quote one Heavy/Overhaul shop visit, one Medium repair requiring a new LLP replacement, one APU BER restoration and one LRU repair/replacement outside NTE, if applicable. These reference cases are for comparison and clarification only, are not volume commitments, and shall not be added to Gdg unless a common, disclosed evaluation methodology is expressly issued by VNA to all MROs.

- If MRO offer fixed NTE price during the term of contract, the fixed NTE price will be taken into account for further evaluation.
- If MRO offer NTE price with annual escalation under formula with a CAP, the quoted annual escalation rate/formula shall be projected for each relevant year, subject to its binding CAP; the CAP is a maximum and shall not automatically be used as the annual escalation rate.
- If MRO offer NTE price with annual escalation under formula but without a CAP, 5% annual escalation will be assumed for evaluation only; the MRO must nevertheless offer a firm annual price adjustment CAP in the contract.

- **G2:** The collective outbound and inbound transportation costs for the 22 shop visits in Part II, using HAN as a common baseline for evaluation (and separate optional quotations for SGN), subject to the Shipping term and condition provided by the MRO and market survey by VNA. If MRO request VNA to take responsibility for the transportation cost but the MRO shop locate in difference countries and the MRO cannot fix one repair shop to repair VNA's APU, the evaluation of transportation will be based on the location in which the transportation cost is highest.

$$G2 = \sum_{n=1}^{22} (T1 + T2)$$

  - T1: Estimate transportation cost for 1 APU shipment from VNA (HAN airport) to MRO (nearest airport). If MRO cover the transportation cost on this route, T1 will be zero.
  - T2: Estimate transportation cost for 1 APU shipment from MRO (nearest airport) back to VNA (HAN airport). If MRO cover the transportation cost on this route, T2 will be zero.
  - If MRO provide credit support for transportation, the amount of credit support will be deducted from G2

- **G3:** The aggregate financing/opportunity cost attributable to payment terms for the 22 APU shop visits in Part II, measured against a common baseline of payment 30 days after receipt of a valid final invoice issued following APU redelivery.

$$G3 = \sum_{n=1}^{22} (R * A * B * I + F)$$

  - R: NTE price based on removal plan and workscope provided in Part II.
  - A: Fraction (between 0 and 1) of the applicable NTE price R requested as advance payment or under an L/C before the baseline payment date; for a stated early payment amount, A = early payment amount / R.
  - B: Number of financing years before the common baseline date (30 days after redelivery), calculated as applicable financing days divided by 365. If MRO requires confirmed L/C, corresponding confirmation fees shall be included in F.
    - B = 40/365 for an L/C drawn before redelivery (unless the MRO demonstrates a different financing period); for advance payment, B = max(0, TAT - D_pay + 30) / 365, where D_pay is the number of days from induction to the requested payment date. Accordingly, the

displayed formula G3 = Σ(R x A x B x I + F) is applied over the 22 planned shop visits.

- I: USD short-term loan rate to be estimated 5%/year (365 days per year, prorated basic).
- F: LC fee applied if LC is required.

  F= F1 +F2

  - F1: LC issuing fee (0.4% x R, min: 50$ and max: 2000$).
  - F2: LC commission fee (0.2% x R, min: 20$ and max: 500$) for each LC requirement.

  Where the final invoice is issued only after APU redelivery and is payable by TTR within 30 days after VNA receives a valid invoice, G3 shall be zero; earlier invoicing or payment shall be evaluated on the actual cash-flow timing.

  If MRO request LC Confirm, the confirming cost will be added into G3.

- **G4**: Add or reduce for any cost elements if offered by MRO in principle to ensure highest possible certainty for VNA, and any additional credits and supports which VNA is able to control and evaluate the associated costs.

  In case MRO has other credits and/or supports, MRO is kindly requested to revert all these exceeded credits/supports by adjusting directly to the NTE prices or by a direct cash credit amount (in form of a fix discount amount or percentage) to each APU shop visit.

### 3. Evaluation on Additional Proposal

VNA shall evaluate all financial and commercial conditions of additional Proposal after clarification, correction of any errors (including arithmetical and typing errors) and adjustment of discrepancies (if any).

VNA shall convert all advantage, financial and commercial conditions to evaluation price and will make compare to formal proposal provided in Annex 3 above to make decision.

### 4. Grade the Proposals and make the selection

VNA may select up to three (3) technically compliant MROs offering the lowest evaluated prices and satisfying all mandatory requirements in this RFP to sign Non-exclusive agreement.

VNA reserves the rights for negotiation with MROs during selection in order to obtain better proposed conditions in favor of VNA. The total evaluated price is the price after final negotiation.

In case MROs have the same evaluated price, the following priority will be considered:

- The MRO who offer lowest total collective price of G1.
- The MRO who offer shortest TAT.
- The MRO who have nearest repair shop.
- In other cases, VNA reserves its right to make final decision, with consideration of long-term business relationship between VNA and MROs.

# PART IV
# FORMS OF PROPOSAL TO BE PREPARED BY MRO

**Form No.1a: Letter of Proposal Submission**

**To: Vietnam Airlines JSC**

After studying your RFP dated .....2026, we, "... name of *MRO...*" has understood clearly the RFP and we would like to submit a Proposal attached.

If our Proposal is accepted, we undertake to execute the Agreements in accordance with the RFP and our Proposal.

Our Proposal is valid until ..... (Validity for 90 days from the deadline of submission).

We also understand that VNA shall not be responsible to explain whichever Proposal has not been accepted.

MRO Name
Authorized person signature

*(Signed and sealed if there is a seal)*

Name: .....
Title: .....

**Form No.1b: Power of Attorney**

**To: Vietnam Airlines JSC**

Today, dd ____ mm ____ yy ____, at ____

I am [*name and title of legal representative of MRO*], is a legal representative of [*MRO's name*], registered at [*address of MRO*], by this letter to authorize to [*name and title of person authorized*] performing the followings during Proposal participant of the package "HGT1700 APU's Repair & Overhaul from 2027-2031" organized by Vietnam Airlines JSC:

- To sign Proposal application form;
- To sign all document and correspondence to communicate with VNA during time of Proposal participate including but not limited to request for clarification of the Request for Proposal and letter for clarification of MRO's Proposal;
- To attend to the process of contract negotiation and completing;
- To sign request/recommendation letter in the case the MRO desire to request/recommend on Proposal.

The authorized person mentioned above only undertake duties that are in authorization scope as a legal representative of [*MRO's name*]. We [*MRO's name*] are responsible for such kind of duties undertaken by [*name of authorized person*] in the scope of authorization.

This power of attorney is valid from dd ____ to dd ____mm____yy.

For and on behalf of the MRO Legal Representative (Authorizing Person)

*(Signed and sealed if there is a seal)*

Name: .....
Title: .....

**Form No.2: Eligibility Requirements: N/A**

**Form No.3: Eligibility Requirement**

MROs are kindly requested to response to all following requirements by putting "Yes" or "No" into each row of the column "MRO Responses (Yes/No)". The "MRO responses" in this Proposal form are summary Proposal, detail offer to each item in Form No.3 must be explicitly stated and clarified in the Proposal and draft Agreements.

*VNA shall evaluate MRO's responses in this Form No.3 in accordance with Item 3.2 (Step 1) - Part III "Proposal Evaluation Criteria" of this RFP.*

| No | Criteria | MRO Responses (Yes/No) |
|---|---|---|
| 1 | Having Letter of Proposal Submission (Form No. 1a Part IV) signed by a legal representative or an authorized person of the MRO. And having Power of Attorney when the Proposal is signed by the authorized representative of the MRO (Form No. 1b Part IV)"; | |
| 2 | Price schedule form must comply with VNA's form detailed at Annex 1, Annex 2, Annex 3 and Table 4 (NTE). | |
| 3 | Proposal Submission time meets deadline as per Item 11 Part I.B and Validity of Proposal meets requirement of at least 90 days from the deadline of submission | |
| 4 | Having valid Documents Establishing MRO's eligibility and qualification as requested in Item 1, Part I.B of this RFP as follows: | |
| 4.1 | *Approval by EASA and/or FAA for maintenance organization which repair and overhaul HGT1700 APU.* | |
| 4.2 | *Approval by CAAV for maintenance organization which repair and overhaul HGT1700 APU. In case MRO has not been approved by CAAV, MRO have to confirm to acquire CAAV certificate before entering the contract with VNA.* | |
| 4.3 | *Approval by Safety & Quality Dept of VNA for maintenance organization which repair and overhaul HGT1700 APU before entering the contract with VNA.*<br>*In case the MRO has not been approved by SQD-VNA, then at the time of Proposal submission, the MRO is required to fill in all Application Forms as per Form No.5 and confirm to acquire VNA approval before entering the contract with VNA.*<br>*(*) Guideline of Supplier Acceptance Procedures and submission form to VNA's Safety & Quality Dept are as per Form No. 5 attached.* | |

Proposal meet all requirements above will be evaluated "Pass" and shall be taken into next evaluation.

## Form No.4: Pricing and Major Terms

### Annex 1: Fixed Proposal contemplated by VNA

- The MRO fill up in **"Yes"** or **"No"** column for its acceptance or not acceptance. The Proposal will be rejected if MRO select "No" for any Mandatory requirement **(M)** items in this Annex 1. MRO may offer better Proposal (i.e. For fees: offer lower fee lower cap, for Warranty/Guarantee: offer longer duration, etc.. but MRO have to put "Yes" on that item and .
- Proposal will also be rejected if MRO put "yes" into any **(M)** items (or even offer lower fee/rate or offer longer warranty/guarantee duration) in this Annex BUT put additional conditions which VNA is not able to control and evaluate the associated costs.

All prices, rates and conditions quoted by the MRO in this Annex shall be firm and fixed, except any expressly stated NTE escalation accepted by VNA under Table 4. No other adjustment or additional surcharge shall apply without VNA's prior written approval. Offers inconsistent with mandatory terms may be rejected.

| Item | Description | Fix Proposal contemplated by VNA | Mandatory requirement | The MRO Proposal/ Acceptance | | Remark |
|---|---|---|---|---|---|---|
| | | | | Yes | No | |
| 1. | **Warranty term** | | | | | |
| | For A350 APU repair (MRO warrants the work carried out by MRO and MRO's subcontractor/vendor) | 12 months or 2,500 (two thousand five hundred) APU operating hours whichever comes first. | **M** | | | |
| 2 | **Part replacement policy** | MRO confirm the parts replacement or exchange on VNA's A350 APU shall be OEM part, with valid FAA and / or EASA certificate, have not involved in any Incident or Accident.<br>If the parts have lower modification / value, MRO need to get VNA's approval on a case by case basis.<br>No PMA, DOA and DER part to be used for APU A350 repair in MRO. No STC repair/modification is allowed.<br>(*) | **M** | | | |
| 3 | **NTE price** | MRO shall offer NTE prices subject to the inclusions and exclusions in Table 4, Form No. 4. The quoted NTE shall include all in-scope materials, LLPs repair, LRU repair, applicable AD/SB, subcontracting, exchange/value compensation and labour, without hidden surcharges or duplicate charging. | **M** | | | |

| | | | | | | |
|---|---|---|---|---|---|---|
| **4** | **AD/SB within NTE** | All applicable Airworthiness Directives (ADs) and OEM Service Bulletins (SBs), including mandatory, alert, safety and recommended SBs, issued on or before the date of signing the Agreement shall be included in the applicable NTE price, to the extent required under the VNA-approved workscope.<br>Any ADs or SBs issued after the date of signing the Agreement shall be subject to separate cost quotation and VNA's prior written approval for any additional charges. | **M** | | | |

*Note: (*) During repair progress, in case no OEM repair is available, Vietnam Airlines may accept DER/DOA repair on case -by-case basis. This is solely depends on Vietnam Airlines' decision.*

## Annex 2: Fixed labor price provided by MRO

### 1. APU disassembly/Assembly Labor

(Below price include Labor required for receiving inspection, removal/reinstallation, disassemble/re-assemble, cleaning, testing, final inspection and packaging of the APU and attached LRUs)

All prices, rates and conditions quoted by MROs in this Annex shall remain firm and fixed during the contract term, except for price changes expressly identified, quantified and accepted by VNA under the pricing terms of Form No. 4.

**Any proposed variable rate, escalation, CLP pass-through or supplier surcharge shall be explicitly identified and evaluated. Unspecified or unilateral variations are not permitted.**

The Annex 2 fixed labour prices and Annex 3 T&M rates shall not result in any additional charge for services or materials already covered by the applicable NTE. Any work outside NTE requires VNA prior written approval of scope and charges.

| Item | Description | Fixed Labor Price (USD) | | |
|---|---|---|---|---|
| | | Light repair | Medium repair | Heavy Repair |
| **I** | **APU work-scope** | | | |
| | **1.1** Induction inspection / as-received testing | | | |
| | **1.2** Remove/Reinstall LRU | | | |
| | **1.3** Disassemble / assemble APU (separate APU into Module) | | | |
| | 1.3.1 Remove/Reinstall Gearbox Module | | | |
| | 1.3.2 Remove/Reinstall Load Compressor Module | N/A | | |
| | 1.3.3 Remove/Reinstall Power Section Module | N/A | | |
| | **1.4** APU final inspection & test cell test | | | |
| | **1.5** APU preparation for shipment | | | |
| | - Others (If any) | | | |
| **II** | **Module Work-scope** | | | |
| | **2.1 Gear Box Module** | | | |

| | | | | |
|---|---|---|---|---|
| | 2.1.1 Disassemble / assemble | | | |
| | 2.1.2 Clean, inspection | | | |
| | - Other (if any) | | | |
| | **2.2 Load Compressor Module** | | | |
| | 2.2.1 Disassemble / assemble | N/A | | |
| | 2.2.2 Clean, inspection | N/A | | |
| | - Other (if any) | N/A | | |
| | **2.3 Power Section Module** | | | |
| | 2.3.1 Disassemble / assemble | N/A | | |
| | 2.3.2 Clean, inspection | N/A | | |
| | - Other (if any) | N/A | | |
| **III** | **Additional Work-scope (if any)** | | | |
| | 3.1 Incorporate Service Bulletins (Recommend to incorporate as minimum work-scope) | | | |
| IV | **4.1 LRU inspection and test** | | | |
| | **Total (USD):** | | | |

**Note :**

1 The fixed prices include all works and standard expendable parts and consumable materials required for the agreed APU/module scope, including removal and reinstallation of sub-modules, disassembly/assembly, inspection and testing, in accordance with the applicable manufacturer manual and approved data, except as otherwise stated.

2. Applicable light, medium and heavy repair workscopes shall be determined with reference to approved manufacturer maintenance documentation and the MRO workscope approved by VNA.
3. N/A means Not Applicable.

## Annex 3. Other terms and conditions provided by MRO

### 1. Other terms and conditions provided by MRO

| | Description | MRO Proposal | Remark |
|---|---|---|---|
| **I** | **Time and Material** | | |
| 1.1 | New part<br>At …% manufacturer's list price (MLP) in effect on the date of the APU induct shop plus the handling fee. | | |
| 1.2 | Handling fee for new parts supplied by MRO<br>VNA prefer handling fee at …% of manufacturer's list price (which effect on the date of the APU induct shop) but not exceed USD 3000 for a group of line items or USD 2000 per single item. | | |
| 1.3 | Used and serviceable part<br>At …% of manufacturer's list price (MLP) in effect on the date of the APU induct shop. | | |

| | | | |
|---|---|---|---|
| 1.4 | Handling fee for used parts supplied by MRO<br>VNA prefer Handling fee at …% of manufacturer's list price (which effect on the date of the APU induct shop) but not exceed USD 3000 for a group of line items or USD 2000 per single item. | | |
| 1.5 | Part repair<br>(Per repair catalog price, flat rate…) | | |
| 1.6 | Exchange fee<br>VNA prefer exchange fee at …% of manufacturer's list price (which effect on the date of the APU induct shop) but not exceed USD 3000 for a group of line items or USD 2000 per single item. | | |
| 1.7 | Compensation value for LLP exchange | | |
| 1.8 | Subcontract repair<br>(by repair cost plus subcontract fee, CAP for subcontract fee at 2500 USD/subcontractor invoice) | | |
| 1.9 | Normal Man-hour rate<br>(For services neither covered by the Fixed price/MRO's Repair catalogue price nor by the Repair) | USD ….. per Hour | |
| 1.10 | Turn Around Time (TAT): From APU induction at the MRO shop until the APU is serviceable and ready for shipment. MRO shall state binding TAT for each Light, Medium and Heavy workscope, slot availability, lead time for confirming slots, and any clearly defined excusable delays. Detailed AOG and spare remedies are to be stated under II.2.3. | | Calendar day |
| | For completion of Light repair | | |
| | For completion of Medium repair | | |
| | For completion of Heavy repair | | |
| **II** | **SUPPORTING SERVICES** | | |
| 2.1 | Spare APU availability for lease support | | |
| 2.2 | Rental APU charges | | |
| 2.2.1 | APU Lease preparation & return fee (include APU test fee and re-certificate) | | Per lease return event |
| 2.2.2 | Daily charge Fee | | Per day |
| 2.2.3 | Usage Fee | | Rate per APU FH |
| 2.2.4 | APU cycle fee (if applicable) | | Rate per APU cycle |
| 2.2.5 | Transportation, deposits, delivery and return charges (itemized) | | Quote all charges or expressly state Nil |
| 2.2.6 | All other spare APU rental charges (itemized); no unquoted lease fees | | Quote all charges or expressly state Nil |
| 2.3 | TAT Delay and AOG Support: For non-excusable delay causing VNA AOG, MRO shall bear the agreed daily spare APU lease fee for the overdue period. MRO shall state the fee basis, applicable | | State specific conditions and charge/credit mechanism |

| | | | |
|---|---|---|---|
| | period and fallback support where no spare APU is available. | | |
| **III** | **PAYMENT TERM** | | |
| 3.1 | By bank transfer within thirty (30) days after VNA receives a valid undisputed final invoice issued following APU redelivery, with all required supporting documentation. | | |
| 3.2 | By L/C | | |
| 3.3 | By advance payment | | |
| **IV** | **DELIVERY AND REDELIVERY** | | |
| 4.1 | For APU repair and overhaul | | |
| 4.1.1 | Delivery Term | | |
| 4.1.2 | Redelivery Term | | |
| 4.2 | For APU loan | | |
| 4.2.1 | Delivery Term | | |
| 4.2.2 | Redelivery Term | | |
| **V** | **Taxes**<br>VNA prefer MRO shall be responsible for any tax imposed by the local Government and sub-contractor's government, where the company/organization of the MRO/sub-contractor located. VNA shall be responsible for any tax imposed by Vietnamese Government | | |
| **VI** | APU Health Monitoring and Technical Support | APU condition monitoring, where available, a dedicated customer-service focal point and annual engineering/technical coordination meetings shall be provided with no additional fee for services included within the applicable NTE. | |
| **VII** | Material Ownership, Scrap Inspection and Disposal | All removed and scrap material remains VNA property unless specifically authorized otherwise in writing. MRO shall retain scrap parts for at least 12 months or until VNA has an opportunity to inspect and certify damage, unless VNA otherwise instructs. No disposal or title transfer without VNA prior written authorization; provide traceability and inventory records. | |
| **VIII** | Shop Visit Documentation and Release Records | Immediately following each shop visit and upon redelivery, MRO shall provide a complete record of performed work, applicable release certificate (EASA Form 1 or other accepted release), shop findings, LLP status, LLP certificates and LLP Card, AD&SB Report LRU report and certificates, | |

| | | | |
|---|---|---|---|
| | | missing part list, costed workscope and serviceability test results. Reasonable additional supporting documents for payment, technical investigation or APU return shall be provided upon VNA request. | |
| **IX** | Warranty and Warranty Claims: Warranty shall be 12 months or 2,500 APU operating hours, whichever occurs first, commencing on APU redelivery to VNA unless a later start is expressly agreed in VNA's favour. MRO shall warrant work by itself and subcontractors. | OEM warranty reimbursements, rebates and credits for VNA-owned APUs shall benefit VNA. For an approved warranty claim, MRO shall cover reasonable APU transportation to/from VNA. | |
| **X** | **Shop Capacity and Approvals** | Identify HGT1700 certified shop and test-cell locations, expected annual induction capacity, available repair slots, lead time for slot confirmation, priority/contingency arrangement for urgent AOG removals, major subcontractors and their approvals. Any post-award change to repair location or material subcontractor requires VNA prior written approval. | |
| **XI** | **Safety and Quality Audit** | The MRO shall permit and facilitate Vietnam Airlines' Safety & Quality Department (SQD) to conduct safety and quality audits of the MRO as part of VNA's Safety–Quality Audit Program in accordance with Section 4.3.5.3(b) of VNA's Maintenance Management Exposition (MME).<br><br>The MRO shall provide reasonable access to relevant facilities, personnel, procedures and records necessary for such audits and cooperate with VNA in addressing any identified findings and implementing agreed corrective actions. | |
| **XII** | **TAT, AOG and spare support** | MRO shall quote binding TAT by workscope, slot-confirmation lead time, spare-APU support and remedies for non-excusable delay causing AOG, as specified in Annex 3, I.1.10 and II.2.3. | |
| **XIII** | **Material Traceability** | All replacement materials shall be OEM parts, fully traceable, with valid airworthiness release | |

| | | | |
|---|---|---|---|
| | | certificates, equivalent or better condition and modification standard, and no incident/accident history. Used LLPs shall have back-to-birth traceability and documented remaining life, subject to VNA's prior approval.<br><br>All relevant traceability documents shall be provided for VNA's review and approval prior to installation. | |

**Procedure APU shop visit:**

- For each APU shop visit, VNA does not provide a fixed initial workscope. VNA will only provide the general condition of the APU, including but not limited to the description of damage, reason for removal, operating hours and cycles, and LLP status. The MRO shall perform the necessary inspection, including borescope inspection where applicable, and submit its recommended workscope for VNA's review.
- If any removed LLP is determined to be scrap and is replaced by a used LLP, such replacement LLP shall be of equivalent or better status, utility and modification standard than the removed LLP, and shall have not less than 7,000 remaining APU flight cycles. If the parts have lower modification / value, MRO need to get VNA's approval on a case by case basis.

Note:

⇒ Both Subcontract handling fee and Exchange handling fee will not be charged on the same part/component, only one fee will be applied

⇒ Components /accessory/ APU parts repair in accordance with to MRO's Repair Price Catalog in effect at time of repair.

⇒ Line item shall mean a group of parts installed on the APU with the same description and functionality such as vanes or blades of the same stage.

⇒ Manufacturer's list price (MLP) shall mean the catalog price issued by OEM

## 2. Table 4: Not-to-Exceed (NTE) Repair Price

MRO is required to quote NTE prices for HGT1700 APU workscopes below, subject to stated inclusions and exclusions and without a minimum shop-visit commitment from VNA.

APU BER RESTORATION PRICE – QUOTATION REQUIREMENTS: MRO shall quote a separate 2027 fixed restoration price or firm maximum price for a complete APU classified as BER, specifying the method of determination, included LLPs/LRUs, materials, labour, exclusions and one worked price example. No APU BER workscope or disposition shall commence without VNA written approval.

| Model | Heavy repair (Overhaul) | Medium repair | Light repair | APU BER restoration fixed price / firm ceiling |
|---|---|---|---|---|
| **Year 2027 base price for Not to exceed price (NTE) (*)** | ..... USD | ..... USD | .....USD | ..... USD |

| | | | | |
|---|---|---|---|---|
| Annual escalation from 2028, subject to binding annual CAP (**) | ....%/year | ....%/year | ....%/year | ....%/year |

***Note:*** *The MRO shall quote a separate NTE price and annual escalation rate for each specific Workscope (WSC). It is recommended that the proposed annual escalation rates be differentiated among WSCs rather than applying a uniform rate to all WSCs.*

Subject to removal plan provided in Part II and Inclusion and exclusion hereunder, MRO is required to offer the Not-To-Exceed (NTE) price and fixed annual escalation rate for all costs falling within the NTE inclusions, to accomplish each APU workscopes provided below:

If the actual repair cost is lower than the NTE price, the actual repair cost will be applied.

If the actual repair cost is higher than the NTE price, the NTE price will be applied.

(*) This NTE price is based on the assumption that no DER Repair is applied.

(**) The escalation of NTE: MRO is recommended to offer fixed annual escalation for NTE price during the term of contract. If MRO do not offer fixed annual escalation, MRO should have a calculation for the escalation rate. a 5% annual escalation shall be used solely as a conservative evaluation assumption where no fixed rate is offered; the supplier must still confirm a binding contractual annual CAP.

**The NTE price Inclusion (applicable to Light, Medium and Heavy repair, to the extent required by the VNA-approved workscope)**

For the purposes of Table 4, Annex 2 and Annex 3, no separate labour, material, subcontract, exchange or handling charge shall be added for an item already included within the applicable agreed NTE.

a. Receiving, incoming inspection, disassembly, cleaning, analytical, assembly, test, final inspection and testing, long term preservation, and shipping preparation, subject to Part II

b. APU repair, refurbishment including all necessary labor, material (component, consumable and expendable parts); Repair necessary to address all damages except those list under NTE exclusion and return APU to service condition; On condition repair of the Gearbox module, subject to Part II

c. Attached LRU: replacement, repair, inspection, testing including BER replacement of repairable LRU's.

d. Repair of life limited parts (LLPs).

e. All applicable Airworthiness Directives (ADs) and OEM Service Bulletins (SBs), including mandatory, alert, safety and recommended SBs, issued on or before the date of signing the Agreement shall be included in the applicable NTE price, to the extent required under the VNA-approved workscope. Any ADs or SBs issued after the date of signing the Agreement shall be subject to separate cost quotation and VNA's prior written approval for any additional charges.

f. APU condition monitoring service (if available)

g. Material Exchange, Subcontracted Work and Handling Charges: Material exchange (including agreed value compensation), subcontracted work, necessary material handling and applicable LLP/non-LLP replacement costs are included within NTE for

an approved in-scope shop visit. No additional charge may exceed the applicable NTE ceiling.

h. Included Support Services: Warranty handling, customer-service support, documentation, release certification, and engineering/technical coordination described in Annex 3 shall be included in the applicable NTE with no additional charge. OEM warranty reimbursements or credits for VNA-owned APU shall accrue to VNA.

**The NTE price Exclusion (applicable to Light, Medium and Heavy repair):**

a. Provisioning of external missing components and LRUs

b. Any repair cost arising from Equipment that has been exposed or subjected to:

- The failure of VNA to comply with all requirements regarding the proper removal, installation, maintenance, repair and/or modifications of Equipment as specified by Airbus Aircraft Maintenance manual; or
- Any operation, testing, use or storage of Equipment by VNA which is not in accordance with the applicable Honeywell and/or aircraft manufacturer publications or
- Damage demonstrably caused by FOD, aircraft accident, abuse, misuse, or VNA operation outside the applicable OEM/aircraft manuals, supported by a documented technical root-cause report and subject to VNA written approval. Normal wear, fatigue, approved high-altitude starts or cold-soak starts shall not be excluded solely on that basis.
- Replacement of PMA parts which came with APU.
- LLP Replacement (New or Used LLP): LLP replacement may be with either a new or used LLP. If a removed LLP is deemed scrap and replaced with a used LLP, the replacement LLP must be of equal or higher value, utility, and modification status than the removed LLP, with a minimum remaining life of 7,000 APU Flight Cycles (FC). Any used LLP replacement shall be subject to VNA's prior approval.

**Form No.5:**

## CONTACT POINT FOR SUPPLIER SUBMIT ACCEPTANCE PROCEDURES FORM AND ACCEPTANCE PROCEDURES FORM

1. **Contact point:**

**Safety - Quality Standard Division**
**Safety and Quality Department**
**Vietnam Airlines Joint Stock Company**
Mr. Nguyen Vu Phong
E-mail: phongnguyenvu@vietnamairliness.com
Tel: (84-4) 38 732 732 ext. 2918

2. **Application Form for SDQ-VNA's approval:**

# PART V
# DRAFT CONTRACT
# (TO BE PREPARED BY MRO)

The draft contract submitted by the MRO shall incorporate all Mandatory (M) commitments in Form No. 4 and the accepted NTE/T&M schedules without reducing VNA's rights by reference to other standard terms. In the event of conflict, the signed VNA-negotiated special conditions and agreed pricing schedules shall prevail over MRO general terms.

At a minimum, the draft shall expressly cover: price and escalation caps; NTE inclusions/exclusions; LLP/LRU and BER; VNA written workscope approval; slot/TAT and AOG support; spare APU lease terms; OEM material and certification; redelivery documents; warranty and freight/credits; ownership and scrap; payment on redelivery; logistics, taxes and charges; termination for material service failure; and non-exclusive, no-minimum-volume engagement.

MRO shall identify and disclose any deviation from the above requirements in a consolidated deviations table. An undisclosed deviation shall not be deemed accepted by VNA.

1. **Product Prices**
2. **Payment Term**
3. **Delivery Conditions**
4. **Warranty**
5. **Product Support Services**
6. **Technical Assistance**
7. **Applicable Law**
8. **Effectiveness, Validity and Termination**
9. **Appendixes (if any)**
10. **....**