

Dr. Lara Buttigieg LL.D

Legal Officer

Civil Aviation Directorate

Transport Malta

CERTIFIED TRUE COPY

AGREEMENT

Lara Buttigieg
 This is to certify that this is a true copy of the original. Done today, 20/06/2018

FOR THE TRANSFER OF OPERATIONAL AND TECHNICAL SURVEILLANCE DUTIES FROM THE STATE OF REGISTRY (MALTA) TO THE STATE OF OPERATOR (PORTUGAL)

Having regard to:

The protocol relating to Article 83 *bis* "Leases and Interchanges" of the Chicago Convention on International Civil Aviation Organisation (ICAO), entered into force on 20-Jun-1997, and to which MALTA and PORTUGAL are Parties, which provides for the transfer of all or part of the functions, obligations, and duties from the State of Registry to the State of the Operator, pursuant to a lease agreement;

The ICAO Document 9760 "Airworthiness Manual", Part IV "State of the Operator", Chapter 6 "Leasing Arrangements", which provides guidance to States on meeting their responsibilities relating to continuing airworthiness when they are involved, either as the State of Registry or the State of the Operator, in the transfer of aircraft under lease, charter or interchange arrangements;

The ICAO Document 8335 "Manual of Procedures for Operations Inspection, Certification and Continued Surveillance", Part V "Lease and Charter Operations", Chapter 2 "Dry Lease", where it is recommended that the State of Registry and the State of the Operator enter into agreement, regarding the transfer of all or part of the functions, obligations, and duties from the State of Registry to the State of the Operator, under the Convention;

Whereas:

The transfer of certain functions, obligations, and duties, pertaining to Article 12, 30, 31, and 32(a) of the Convention, from the State of Registry to the State of the Operator of leased aircraft, as provided for by Article 83 *bis*, clarifies safety responsibilities, simplifies procedures and enhances aviation safety;

The TM CAD and ANAC, as designated competent authorities by MALTA and PORTUGAL (both EU Member States) respectively, for the implementation of Regulation (EC) 216/2008 of the European Parliament and of the Council, and its Implementing Rules [Commission Regulations (EU) No. 748/2012, No. 1321/2014, No. 1178/2011, No. 965/2012], as well as Regulation (EU) No. 376/2014 of the European Parliament and of the Council, acknowledge that the:

- initial and continuing airworthiness requirements and standards;
- environmental certification and maintenance; and
- operational requirements and design-related requirements;

are common.

This agreement stipulates the transfer of responsibilities normally carried out by the State of Registry from that State (MALTA) to the State of the Operator (PORTUGAL), in accordance with the relevant Annexes to the Convention, and as set forth in paragraph 3 below;

The **TRANSPORT MALTA CIVIL AVIATION DIRECTORATE (TM CAD)**
Malta Transport Centre
Pantar Road
Lija LJA 2021
Malta

The **AUTORIDADE NACIONAL DA AVIAÇÃO CIVIL (ANAC)**
Rua B, Edifício 4 - Aeroporto Humberto Delgado
1749-034 Lisboa
Portugal

Hereinafter referred to as "the Parties", have agreed as follows on behalf of their respective Governments based on Articles 33 and 83 *bis* of the Convention:

GENERAL

In pursuance of the Chicago Convention MALTA shall be relieved of responsibility in respect of the functions obligations, and duties transferred to PORTUGAL, upon due publication or notification of this agreement, as determined in paragraph (b) of Article 83 *bis*.

The scope of this agreement shall be limited to the following aircraft:

Textron Aviation Inc. model 550 with MSN 550-0139 bearing registration marks 9H-LEO registered in the name of Rustica Negocios Inmobiliarios, S.L. having its registered office and place of business at 18-A Calle Subida al Faro – Cabo de Palos, Catagena, Spain which will be operated under a leasing/operating agreement with the lessor and legal owner

DEFINITIONS

Lessor – Registered owner.

Lessee – Operator under whose Air Operator's Certificate (AOC) the leased aircraft is operated.

TRANSFERRED RESPONSIBILITIES

Under this agreement, the Parties agree that MALTA transfers to PORTUGAL the following responsibilities, including oversight and control, of relevant items contained in the respective Annexes to the Convention:

Annex 6

Operation of Aircraft – Part 1 International Commercial Air Transport - Aeroplanes.

All responsibilities which are normally incumbent on the State of Registration. Where responsibilities in Annex 6, Part 1, may conflict with responsibilities in Annex 8 Airworthiness of Aircraft, allocation of specific responsibilities are defined in the attached Appendix No.01.

Annex 8

Airworthiness of Aircraft

Under this agreement, the TM CAD will retain responsibility under the Chicago Convention for the issue of the Certificate of Airworthiness (CoA).

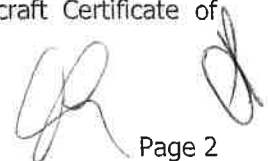
The responsibility for the control of Annex 8 "Airworthiness of Aircraft" shall however be under the responsibility of the ANAC for the continuing approval and monitoring of the lessee Continuing Airworthiness Management Organisation (CAMO). Maintenance surveillance of the leased aircraft, operated under the AOC of the lessee is hereby transferred to the DTA including Annex 8, Part II para 4 "Continuing Airworthiness of Aircraft", Annex 8 Part II para 6 "Temporary Loss of Airworthiness", and Annex 8 Part II para 8 "Aircraft Limitations and Information" [Flight Manual].

(Appendix No.01) hereunder describes the responsibilities of the Parties regarding the continuing airworthiness of aircraft.

FINDINGS, IN-SERVICE OCCURRENCES OR INCIDENTS

The ANAC and TM CAD will notify each other in case of level 1 findings regarding: (a) the monitoring of the Continuous Airworthiness, (b) the Maintenance of the Aircraft and (c) any exemption issued with regards to the relevant regulations within 72 hours after first notice.

Information, written in the English language, on significant in-service occurrences that affect or could affect continuing airworthiness of the aircraft, shall be provided by the lessee to the organisations responsible for the type design, ANAC, TM CAD and the State Authority of the Type Certificate Holder as soon as possible (in particular with quickest means available in case of any accident or serious incident, in addition to the notification to the appropriate accident investigating authorities) but not later than 3 days. ANAC shall provide TM CAD and European Aviation Safety Agency with more detailed information on investigation processes of those major events for which mandatory airworthiness actions may be taken or deemed necessary by ANAC. In case of in-service occurrences that could invalidate the aircraft Certificate of



Airworthiness, TM CAD is entitled to prevent aircraft from resuming any operations and shall immediately inform ANAC in order to allow proper corrective actions.

LICENCES

Flight operations will be conducted by the lessee, employing flight crew members holding an appropriately rated license issued according to EASA Part-FCL and EASA Part-MED pursuant to Commission Regulation (EU) No 1178/2011.

OTHERS

A certified true copy of this agreement shall be placed in the aircraft documents file on board the aircraft to which this agreement applies. A certified true copy of the AOC, issued to the aircraft lessee by ANAC, in which the aircraft concerned will be duly listed and properly identified, will be carried on board the aircraft. This agreement does not cover any sublease of the mentioned aircraft.

CO-ORDINATION

Meetings between the TM CAD and ANAC, will be arranged as necessary to discuss both operational and airworthiness matters resulting from inspections that have been conducted by respective inspectors. The following subjects may be reviewed during these meetings.

- Continuing Airworthiness Surveillance and Aircraft Maintenance.
- Flight Operations.
- Flight training and checking.
- Any other significant matter arising from inspections.

COMMUNICATION

ANAC:

For matter of principles in relation to this agreement, coordination for specific issues with the other interested ANAC Departments:

Competent person for any questions is Mr Victor Rosa, e-mail victor.rosa@anac.pt.

Occurrence reports:
Reporting Tool on the homepage of ANAC:

<http://www.anac.pt/vPT/Generico/NotificacoesOcorrencias/Paginas/comunicacaodeOcorrencias.aspx>

Accidents and serious incidents: Gabinete de Prevenção e Investigação de Acidentes com Aeronaves e de Acidentes Ferroviários (GPIAAF)

TM CAD:

For matter of principles in relation to this agreement, coordination for specific issues with the other interested Departments:

Competent person for any questions is Mr. Carl Tabone, e-mail civil.aviation@transport.gov.mt or +356 2555 5633

Occurrence reports:
Reports to be sent by email to Occrepsmu@transport.gov.mt

Accidents and serious incidents:
frank.d.zammit@gov.mt

FINAL

This agreement will enter into force on its date of signature and shall remain in force as long as the aircraft is operated by the lessee, under its Portuguese AOC referenced PT 01/11/08. A written communication

about the termination of the agreement will be provided by the TM CAD to ANAC. Any modification of the agreement shall be agreed by the parties in writing.

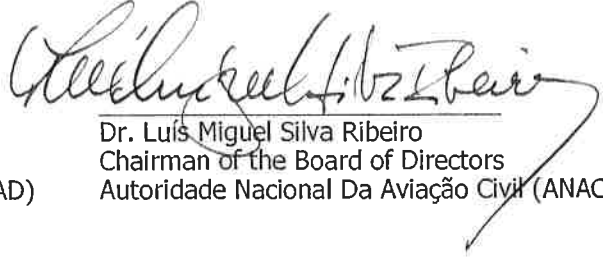
In the event of breach of obligations as stipulated by the agreement, by lessor or lessee or the Parties, each party is entitled at any time to cancel the agreement either entirely or in part by giving written notice to the counter party, lessor and lessee. Advance notice will be given when circumstances so warrant. Otherwise termination of the agreement will be effective immediately.

This agreement may be extended after a positive evaluation meeting between the ANAC and TM CAD.

This agreement is accepted and signed by.



Capt. Charles Pace
Director General for Civil Aviation
Transport Malta Civil Aviation Directorate (TM CAD)



Dr. Luís Miguel Silva Ribeiro
Chairman of the Board of Directors
Autoridade Nacional Da Aviação Civil (ANAC)

Date: 20 April 2018

ATTACHMENT:

Appendix No.01. Responsibilities of MALTA and PORTUGAL



APPENDIX No.01

I – INTRODUCTION

The European Union (EU) sets of requirements, directly or indirectly called for in this agreement, are to be intended at their latest amendments issued.

II – PURPOSE

The purpose of this appendix is to provide detailed working arrangements between the TM CAD and ANAC, to allow them to discharge their responsibilities for the continuing airworthiness of dry leased aircraft, whilst being operated in commercial air transportation by the lessee.

III – IMPLEMENTATION

For the implementation, the points of contact of the authorities are the following for all questions regarding airworthiness, major changes and matter of principles.

TM CIVIL AVIATION DIRECTORATE (TM CAD)	AUTORIDADE NACIONAL DA AVIAÇÃO CIVIL (ANAC)
Malta Transport Centre Pantar Road Lija LJA 2021 Malta Tel : + 356 25555633 Fax : + 356 25555634 E-mail : civil.aviation@transport.gov.mt	Rua B, Edifício 4 - Aeroporto Humberto Delgado 1749-034 Lisboa Portugal Tel : +351 212842226 Fax : +351 218402398 E-mail : geral@anac.pt

As far as the current activities to be performed in accordance with these procedures are concerned TM CAD inspectors will co-ordinate their specific intervention and the necessary exchange of information related to the present procedures.

IV – TYPE DESIGN DEFINITION

The aircraft, and any product or part thereof, as well as any modification/repair to it, shall comply with the relevant EASA approved type design, in accordance with Commission Regulation (EU) No. 748/2012.

The ANAC shall be responsible for supervising compliance with this Implementing Rule after aircraft delivery to the lessee, at all times the aircraft shall be operated by the lessee under Maltese registration marks.

V – CHANGES TO THE TYPE DESIGN

Changes to the type design shall be managed and controlled by the lessee. The express permission of the lessor shall be required prior to the incorporation of any modification, including those specified below:

1. Changes generated by the Type Certificate Holder
Type Certificate Holder generated Changes shall be approved in accordance with Commission Regulation (EU) No. 748/2012, Annex I (Part-21) Subpart B, EASA Executive Director Decision 2004/04/CF as amended and the EASA-FAA Technical Implementation Procedures.
2. Other changes
Changes to the Type Design, classified as major or minor, shall be approved in accordance with Commission Regulation (EU) No. 748/2012 Annex I (Part-21) Subpart D.



Supplemental Type Certificates, not generated by the Type Certificate Holder, shall be approved in accordance with Commission Regulation (EU) No. 748/2012 Annex I (Part-21) Subpart E.

3. Embodiment of approved changes

Embodiment on aircraft of Design Changes in accordance with the above procedures shall be performed by an appropriately approved Part-145 Maintenance Organisation (MO).

VI – FLIGHT MANUAL

The aircraft must be operated within the limitations described in the Aircraft Flight Manual and its supplements approved/accepted by EASA.

VII – CONTINUING AIRWORTHINESS

In accordance with ICAO Annex 8, the TM CAD shall adopt, or assess and take appropriate actions against, the mandatory airworthiness information issued by the Authority of the State of the Type Certificate Holder and EASA.

The leased aircraft must comply with the applicable EASA Airworthiness Directives (AD).

The ANAC shall ensure that the lessee is in receipt of all the applicable AD-or other mandatory airworthiness action issued by the Authority of the State of the Type Certificate Holder, in accordance with the system established by EASA. All AD issued by the Authority of the State of the Type Certificate Holder adopted by EASA and applicable to the specific aircraft, products, parts and appliances thereof shall apply.

The ANAC shall be responsible to ensure that all applicable AD as well as other mandatory airworthiness actions issued or adopted by EASA are properly applied on the leased aircraft.

Derogations of applicable AD as well as other mandatory airworthiness actions, if requested, will be coordinated between the TM CAD and the ANAC, on case-by-case basis.

The DTA shall ensure that in-service events on the aircraft are reported by the lessee to the DTA, in accordance with Commission Regulations (EU) No. 1321/2014, No. 1178/2011, No. 965/2012, and Regulation (EU) No. 376/2014 of the European Parliament and of the Council, (EU) No 965/2012 and regulation (EU) No 1321/2014.

The ANAC shall be responsible for defining to the lessee the type of service information that is to be reported to the TM CAD (ref.: ICAO Annex 6 Part I, 8.5 and Annex 8 Part II, 4.3.5 and 4.3.8).

The ANAC shall ensure that a copy of reports on significant events that affect or could affect the continuing airworthiness of the leased aircraft or invalidate its certificate of airworthiness (CoA) is also forwarded by the lessee to the TM CAD in order to allow proper corrective actions. In such cases, the TM CAD shall accept that, in accordance with ICAO Annex 8 Chapter 3, 3.6.2. The ANAC is entitled to prevent the aircraft from resuming flight, subject to the ANAC advising the TM CAD that such action has been taken.

The ANAC shall ensure that the lessee transmits information on significant events affecting continuing airworthiness of leased aircraft to the Type Certificate Holder (ref.: ICAO Annex 6 Part I, 8.5.2 and Annex 8, 4.3.5).

The ANAC and TM CAD shall ensure mutual exchange of information on any result arising from the investigation phases of significant in service events in respect of the leased aircraft.

The ANAC shall ensure that the lessee obtains and assesses airworthiness information and recommendations available from the Type Certificate Holders and implements resulting action considered necessary by the TM CAD and the (ref.: ICAO Annex 6 Part I, 8.5.2).

The ANAC shall ensure that the lessee monitors and assesses maintenance and operational experience with respect to continuing airworthiness, flight safety and accident prevention (ref.: ICAO Annex 6 Chapter 3 and

Chapter 8.5). Relevant procedures shall be specified in the relevant Continuing Airworthiness Management Exposition (CAME).

VIII – REPAIRS

Approval of repairs on aircraft will be made under the ANAC surveillance and responsibility, in accordance with Commission Regulation (EU) No. 748/2012 Annex I (Part-21) Subpart M.

IX – MAINTENANCE

The ANAC ensure that the lessee is appropriately approved in accordance with Commission Regulation (EU) No. 1321/2014 Annex I (Part-M) Subpart G as a CAMO, and that the Aircraft Maintenance Programme complies with Commission Regulation (EU) No. 1321/2014 Annex I (Part-M) Subpart C. The ANAC shall approve the Continuing Airworthiness Management Exposition (CAME) and any revision thereof.

The leased aircraft, its engines and equipment, will be maintained in accordance with the aircraft maintenance programme.

Maintenance of the aircraft shall be carried out by appropriately approved Part-145 AMO, under contract in accordance with Commission Regulation (EU) No 1321/2014 Annex I (Part-M) Subpart B and Subpart G.

The Technical Log System shall be approved by ANAC, in accordance with Commission Regulation (EU) 1321/2014 Annex I (Part-M) Subpart C.

Any Maintenance and airworthiness records not covered by the contract which are kept by the lessee, in accordance with procedures approved by the ANAC shall be transferred by the lessee to the lessor at the end the leasing period.

X – FLIGHT OPERATIONS AND AUTHORISATION

The ANAC shall be responsible for the authorisation of all operations in respect of the leased aircraft to be conducted in accordance with the Aircraft Flight Manual and lessee's Operations Manual, as provided for in Commission Regulation (EU) No. 965/2012.

The ANAC shall approve the Minimum Equipment List (MEL) applicable to the leased aircraft, as provided for in ORO.MLR.105, in accordance with ARO.OPS.205, which shall not be less restrictive than the relevant Master Minimum Equipment List (MMEL) published by the Authority of the State of the Type Certificate Holder or EASA.

XI – SURVEILLANCE AND INSPECTION

Throughout the duration of the lease, the ANAC shall conduct surveillance activities and inspections, including the ACAM programme, on the leased aircraft and the lessee, in accordance with its applicable procedures, in order to verify that the aircraft operations are conducted in accordance with the applicable standards of airworthiness, operating requirements and the terms and conditions specified in this Appendix.

Each Party shall notify its counter Party on any finding or act, which affects the validity status of any certificate or documentation issued in respect of the leased aircraft or the terms and conditions of the lease agreement.

Airworthiness Review Certificates (EASA Form 15b) shall be issued by the lessee's CAMO, if appropriately approved to do so, or by TM CAD (EASA Form 15a) upon a recommendation issued by an appropriately approved Part-M Subpart G CAMO contracted by the lessee.



The TM CAD shall issue Permits to Fly to the Maltese registered aircraft, where the aircraft is temporarily not in airworthy condition, upon appropriate application, in accordance with Commission Regulation (EU) No. 748/2012.

Permits to Fly may prescribe particular limiting conditions to permit the aircraft to be flown without fare-paying passengers to an approved maintenance facility at which it will be restored to an airworthy condition (ref.: Commission Regulation (EU) No 748/2012 Annex I (Part 21)).

Flight conditions associated to Permits to fly shall be approved in accordance with appropriate provisions of Commission Regulation (EU) No 748/2012 Annex I (Part 21).

Any exemptions from Regulations (EU) No 1321/2014 and (EU) No 748/2012, in accordance with (EC) No 216/2008 Article 14.4 shall be issued by the State of Register.

XII – CO-OPERATION

Each Party shall ensure that its counter Party is kept informed of all applicable standards of airworthiness, operating requirements, design-related operational requirements and associated requirements of its State, and will consult its counter Party on any proposed changes thereto to the extent that they may affect the implementation of this Appendix.

Each Party shall render such assistance as may reasonably be required by its counter Party in carrying out inspections, investigations and other functions in respect of the leased aircraft.

