

DRY LEASE AGREEMENT

Between

EGYPTAIR HOLDING COMPANY, as Lessor

And

Biman Bangladesh Airlines LTD, as Lessee

Dated as of 11 March, 2014
Relating to two Used Boeing Model B777-200ER Aircraft
Bearing Manufacturer's Serial No. 32629 and 32630

To the extent, if any, that this Lease hereunder constitutes tangible chattel paper (as such term is defined in the Uniform Commercial Code as in effect in any applicable jurisdiction), no security interest in this Lease may be created through the transfer or possession of any counterpart other than the original executed counterpart, which shall be identified as the counterpart attached to a receipt therefore executed by Lessor.



This DRY LEASE AGREEMENT, dated as of **11** March, 2014 (the "Lease"), is signed by and between:

EGYPTAIR HOLDING COMPANY, a Public Business Sector Company, Incorporated under the Laws of Egypt, having its principal place of business at EGYPTAIR Administrative Complex Airport Road, Cairo International Airport, Cairo, Egypt (referred herein after as "Lessor"),
and:

Biman Bangladesh Airlines LTD, a Public Limited Company incorporated in Bangladesh and having its registered office at Balaka, Kurmitola, Dhaka - 1229 (referred herein after as "Lessee").

Individually referred to as "Party" and collectively as "Parties"

RECITAL

Whereas, the Lessor owns two used Boeing Model B777-200ER Aircraft Bearing Manufacturer's Serial No. 32629 and 32630 as more described in Schedule 1 hereinafter "the Aircraft"; and

Whereas, the Lessee desires to lease the Aircraft from the Lessor and the Lessor accepts the same.

NOW THEREFORE, THE PARTIES AGREE AS FOLLOWS:

1. DEFINITIONS; CONSTRUCTION AND INTERPRETATION

The capitalized terms used in this Lease shall have the respective meanings ascribed thereto in Part I of Schedule 1. The rules of construction and interpretation for this Lease are set forth in Part II of Schedule 1. The Schedules and Exhibits to this Lease shall incorporate an integral part of this Lease.

2. LEASE OF AIRCRAFT

2.1 Delivery

Lessor shall deliver the Aircraft to Lessee at the Delivery Location and Lessee shall take the same, on the Scheduled Delivery, provided that the Lessor satisfies the Delivery Condition and the Aircraft is acceptable by Lessee under the terms and conditions of this Agreement, Delivery of 1st Aircraft will be on 15th of March ,2014 and 2nd Aircraft one month after .

Subject to the satisfaction or waiver of the conditions precedent set out in Schedule 7 and Schedule 8. Lessee shall execute and deliver the Acceptance Certificate to Lessor on the Delivery Date. The delivery requirements and delivery procedures are more set out in Schedule 3.

2.2 Lease Term

Both Parties agree that the term of this Lease will be for a period of 60 months commencing at the date of aircraft Delivery and the lease may be terminated before the end of its term as more specified in this Lease (the "Lease Term") and may be extended by mutual written agreement of both Parties.

Either Party shall have the right to terminate this Agreement after the elapse of four years of its Term after providing the other Party with a 6 (six) months prior written notice before the intended date of termination.

2.3 Return

Lessee shall return the Aircraft to Lessor at the Return Location, in each case, on the last day of the Lease Term or any other earlier date as the case may be, provided that the Lessee satisfies the Return Condition and the Aircraft is acceptable by Lessor under the terms and conditions of the Operative Documents. Lessor shall execute and deliver the Return Acceptance Certificate to Lessee at the time the Aircraft meets the Return Conditions. The return requirements and return procedures are more fully set out in Schedule 4.

3. RENT; PAYMENTS; SECURITY DEPOSIT

3.1 Rent-Periodic,

The Rent-Periodic is US\$ 585,000.00 (five hundred eighty five thousand US Dollars) Per month Per Aircraft. Lessee will pay The Rent-periodic per month for each Aircraft to be paid at the beginning of each lease month.

For Lessee's accounting purposes, Lessor shall provide an invoice to Lessee with the required amounts 12 days before the payment date in each lease month.

3.2 Rent-Supplemental

Lessee shall pay to Lessor installments of Maintenance supplemental amount- APU, Maintenance Supplemental Amount- Airframe Heavy Check, Cabin Refurbishment, Engine Refurbishment, Engine LLP, Maintenance Supplemental Amount- Landing Gear, Supplemental Amount thrust Reserve in the amounts specified in Exhibit E. The first installment of the Rent-Supplemental will be paid within five (5) Business days of the Lease Commencement Date based on 250 flying hours, 4:1 Hrs/cycles for each Aircraft. This amount or remainder thereof shall be returned to the Lessee after the final reconciliation to be taken place within 30 (thirty) business days after the lease period (Hour/Cycles Adjustment, Exhibit - G).

At the end of the each lease month, Lessee shall pay to Lessor the actual Rent-Supplemental based on utilization hours/cycles. The Reserve Amount – APU, Airframe Heavy Check, Cabin Refurbishment Reserve Amount – Engine LLP, and the Rent-Supplemental for Engine Refurbishment, Landing Gear, Thrust Reverser shall be paid monthly as follows:

- a. An amount of USD [1255]/ FH according to Exhibit E; and
- b. Within five (5) days after the end of each month during the Lease Term, Lessee shall provide to Lessor a utilization summary regarding APU, Engine LLP and Engine utilization for the previous month and by the fifteenth (15th) day of each month Lessee shall pay to Lessor any amount due based on a calculation multiplying the relevant usage by the reserve rates set forth on Exhibit E. Lessor shall provide Invoice upon receiving the utilization summary.

If such calculation shows that Lessee has overpaid any of the reserve amounts for the previous month for error in calculation/ data, such overpayment amounts shall be retained by Lessor as a credit for the next reserve payment period. Lessor shall issue a credit note to Lessee covering the overpayment amounts to be used for the next due payment. In the event that Lessee has underpaid any of the Rent-Supplemental being reconciled, it shall pay to Lessor the amount of such underpayment no later than the 15th day of the month.

If the Aircraft is grounded for a period of (30) thirty days or more for reasons other than scheduled maintenance during each year of the Lease Term, at the end of each year, Lessee will pay a Rent-Supplemental of an amount of 40,000\$ (forty thousand USD) if the accumulated block hours during such year did not reach 3,000 block hours, Lessee will pay the amount mentioned herein above in this paragraph per each grounding.

At the end of the Lease Term, Lessor and Lessee shall make a final reconciliation of such amounts based on the block hours flown during the Lease Term and not settled during the Lease Term which shall not exceed 30 business days after the expiration of the Lease Term.

Should a scheduled heavy maintenance check event be encountered during the Lease Term, cost of this event shall be prorated between Lessor and Lessee based on flight hours, flight cycles and or calendar days (whichever applicable) used by each Party.

Should a scheduled Engine refurbishment shop visit be encountered during the Lease Term, cost of this shop visit shall be prorated between Lessor and Lessee based on Engine flight hours used by each Party.

Should an Engine LLP part replacement be encountered during the Lease Term, cost of such LLP replacement shall be prorated between Lessor and Lessee based on Engine flight Cycles used by each Party.

Any short fall in required reserves below the relevant aggregate (or remaining) reserves shall be paid by Lessee.

3.3 Payments in General

3.3.1 Net Lease

This Lease is a net lease. All payments under this Lease shall be net of any deductions, counterclaims, imposts and or taxes of whatever kind of nature. Lessee's obligation to pay Rent and to pay and perform all of its other obligations is absolute and unconditional no matter what happens and no matter how fundamental or unforeseen the event. Lessee shall not regard its obligations as ended, suspended or altered in any way because of any defense, set-off, counterclaim, recoupment or other right of any kind or of any other circumstance.

Any and all taxes in Egypt, not related to or in connection with the Aircraft operation, will be the responsibility of the Lessor, as for Bangladesh any and all taxes will be the responsibility of the Lessee. All taxes relating to or in connection with the operation, use and keeping the Aircraft under its control under the Lease will be borne by the Lessee.

3.3.2 Timing and Place of Payment

All payments of Rent due to Lessor shall be made directly by Lessee in U.S. Dollars by wire transfer of immediately available funds on the required date of payment, for receipt on such date and with value on such date, to the account for Lessor specified in Schedule 5, or to such other account as Lessor shall otherwise direct by not less than five days' prior written notice to Lessee.

3.3.3 Business Day

If the due date for any payment including but not limited to Rent-Periodic, Rent-Supplemental, Reserves, Stipulated Loss Value or any other scheduled payment is not a Business Day, then, unless otherwise provided herein, such payment shall be made on the Business Day immediately after such scheduled date with the same force and effect as if made on such scheduled date and without adjustment in the amount due provided however that if there is a public holiday not exceeding 2 (two)-days, Lessor accepts to receive its dues after such 2 (Two) days.

3.4 Security Deposit

Both Parties agree that Lessee will provide to Lessor a security deposit as a guarantee for the Lessee fulfilling all its obligations under the Lease. Lessee shall provide the Lessor a Security Deposit of an amount of USD 2,340,000 (US Two Million Three Hundred Forty Thousand Dollars) equivalent to two months Lease Rent for each Aircraft in the form of an irrevocable and unconditional Letter of Guarantee issued from an International Commercial Bank, and confirmed by Commercial International Bank registered in Egypt, this Letter should be valid until Lessor receives such deposit in cash in its bank account.

Upon delivery of the each Aircraft in Cairo, the Lessee shall replace the Letter of Guarantee with cash, and shall order its bank to transfer the Security Deposit of such Aircraft to the Lessor's account and shall deliver to the Lessor a copy of the swift transfer within 2 (two) business days from the date of Delivery of each Aircraft. Provided that Lessor receives the cash deposit in its bank account, Lessor will deliver the Letter of Guarantee to Lessee as soon as receiving the money in its bank account.

The deposit of each Aircraft shall be kept with the Lessor for One month after the Lease Term or final reconciliation or the redelivery of that Aircraft whichever is later, provided however that there is no Event of Default.

In case of Event of Default, the Lessor shall have the right to deduct the required amount equal to the sum for which the Lessee not accomplishes any of its obligations in addition to any other rights under the Agreement if any, after notifying the Lessee.

The Security Deposit, or any remaining portion thereof shall be returned to Lessee upon expiration of the Lease and the Lessee fulfilling all its obligations towards Lessor or any of its subsidiaries whether under this Lease or in relation thereto or in relation to any Operative Document.

If Lessee fails to comply with any provision of this Lease or any Operative Document, or if any Default shall have occurred and be continuing, in addition to all rights and remedies accorded to the Lessor in the Lease including the termination of this Lease, Lessor may immediately or at any time thereafter, apply all or part of the Security Deposit, as the case may be, towards the payment or discharge of such failure in such order as Lessor sees fit.

If Lessor applies all or part of the Deposit as described above, Lessee shall, following a demand in writing from Lessor, within five (5) Business days restore the Security Deposit to the level at which it stood immediately prior to such deduction.

Failure to pay any Security Deposit or restore it will constitute an automatic "Event of Default" and may result in termination of the Lease at Lessor's option.

If the Lessee fails to take Delivery of the Aircraft for reasons beyond its control, Lessor shall return the Deposit amount minus any costs and/or expenses incurred relating to or in-connection with preparing the Aircraft in-accordance with the Delivery Conditions within (5) five Business Days from receiving the notification.

If the Lessor fails to deliver the Aircraft for reasons beyond its control, Lessor shall return the entire Deposit amount to the Lessee within (5) five Business Days from receiving the notification.

3.5 Late Payment Interest

Without prejudice to any other rights to Lessor under this Lease including without limitation the termination of the Lease, if Lessee fails to pay any amount payable under the Lease on the due date, Lessee will pay on demand to Lessor interest (both before and after judgment) on that amount, from the due date to the date of payment in full by Lessee to Lessor, an interest rate calculated daily based on three month Libor plus 3%. All such interest will be compounded monthly and calculated on the basis of the actual number of days elapsed in the month, assuming a 30 day month and a 360 day year.

4. INTENTIONALLY LEFT BLANK

5. REPRESENTATIONS AND WARRANTIES

5.1 Lessor's Representations and Warranties

Lessor hereby represents and warrants to Lessee that:

- (1) Lessor has the corporate power and authority to own its assets wherever located or used and to carry on its business as it is now being conducted and to enter into and perform its obligations under each Operative Document to which it is a party; the execution and delivery by Lessor of the Operative Documents to which it is a party, and the performance of its obligations hereunder, have been (as and when delivered by Lessor) duly authorized by all necessary corporate action on its part. Such Operative Documents each have been duly executed and delivered by it and each constitutes legal, valid and binding obligations, enforceable against Lessor in accordance with its terms.
- (2) Neither the execution and delivery of any Operative Document by Lessor, nor the performance by Lessor of its obligations thereunder, contravenes any of the provisions of its constitutional documents or any Law applicable to it or any of its assets or conflicts with or results in a default under any document which is binding on Lessor or any of its assets.

- (3) Lessor is subject to civil and commercial Law with respect to its obligations under each Operative Document to which it is a party and neither it nor any of its assets is entitled to any right of immunity and the entry into and performance of each such Operative Document constitute its private and commercial acts.
- (4) There are no pending or, to Lessor's knowledge, threatened actions or proceedings before any court, arbitration or administrative agency (a) in respect of this Lease or any Operative Document or the Aircraft or the performance by Lessor of its obligations hereunder (b) which might, if adversely determined, have a Material Adverse Effect.

LESSOR MAKES NO REPRESENTATIONS OR WARRANTIES OF ANY KIND WHATSOEVER, AS TO THE AIRWORTHINESS, VALUE, CONDITION, DESIGN OR OPERATION OF THE AIRCRAFT OR ANY COMPONENT THEREOF, AND LESSOR HEREBY EXPRESSLY DISCLAIMS ANY WARRANTY OF MERCHANTABILITY OR SUITABILITY OR FITNESS FOR A PARTICULAR PURPOSE, OR FOR ANY LOSS OF USE, REVENUE OR PROFIT OR FOR ANY OTHER DIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES. LESSEE'S EXECUTION OF THE ACCEPTANCE CERTIFICATE CONFIRMS ITS UNCONDITIONAL ACCEPTANCE OF THE AIRCRAFT UNDER THIS LEASE FOR ALL PURPOSES.

5.2 Lessee's Representations and Warranties

Lessee hereby represents and warrants to Lessor that:

- (1) Lessee (a) is a corporation duly organized under the Laws of Bangladesh and (b) has the corporate power and authority to own its assets wherever located or used and to carry on its business as it is now being conducted and to enter into and perform its obligations under each Operative Document to which it is a party; the execution and delivery by Lessee of the Operative Documents to which it is a party, and the performance of its obligations thereunder, have been (as and when delivered by Lessee) duly authorized by all necessary corporate action on its part. Such Operative Documents each have been duly executed and delivered by it and each constitutes legal, valid and binding obligations, enforceable against it in accordance with its terms.
- (2) Lessee holds all Authorizations necessary to (a) permit it to engage in air transport and to carry on passenger and cargo service in each case as presently conducted, (b) permit its execution and delivery of each Operative Document to which it is a party and the performance of its obligations thereunder and (c) permit it to operate the Aircraft in compliance with all applicable Laws, including but not limited to all applicable laws governing the operation of the Aircraft while on Egyptian registry.
- (3) Lessee is subject to civil and commercial Law with respect to its obligations under each Operative Document to which it is a party and neither it nor any of its assets is entitled to any right of immunity and the entry into and performance of each such Operative Document constitute its private and commercial acts.
- (4) Its financial position allows it to perform all its financial obligations under this Lease, and Lessee hereby agrees to submit its audited financial statements when requested by Lessor.
- (5) The obligations of Lessee under the Operative Documents rank at least pari passu with all other present and future unsecured and unsubordinated obligations (including contingent obligations) of Lessee, with the exception of such obligations as are mandatorily preferred by Law and not by virtue of any contract.
- (6) Except for the registrations, recordations and filings described in Section 7, each of which will be duly made and effected by Lessee as and when required, no further action, including the registration, recordation or filing of any instrument or document, is necessary under the Laws of Bangladesh or any jurisdiction in which the Aircraft shall be operated (a) in order for this Lease to constitute a valid and enforceable lease of record relating to the Aircraft, (b) to authorize or permit Lessee to perform its obligations under each Operative Document to which it is a party, (c) to fully protect, establish, perfect and preserve Owner's and Lessor's rights and interests in the Aircraft and the Operative Documents as against Lessee and all third parties and (d) to make each Operative Document admissible in evidence in the relevant courts..

The representations and warranties above will survive execution of this Lease and those contained in clauses (1) through (4) of this Section 5.2 are continuing representations, warranties and covenants and shall be deemed made and given on and as of each Rent Payment Date and Supplemental Rent Payment Date.

5.3 General

The rights and remedies of Lessor or Lessee, as the case may be, in relation to any misrepresentation or breach of warranty on the part of the other Party, whether made on the date hereof or thereafter, shall not be prejudiced by any investigation by or on behalf of Lessor or Lessee, as the case may be, into the affairs of the other party, by its performance of any Operative Document or by any other act or thing which may be done or omitted to be done by Lessor or Lessee, as the case may be, under any Operative Document or any related document and which would or might, but for this provision, prejudice such rights and remedies.

6. GENERAL COVENANTS

6.1 Lessor's Covenants

Lessor covenants and agrees with Lessee that during the Lease Term:

6.1.1 Maintenance Contributions

If, under the Lease, Lessee must pay Supplemental Rent, then provided no Event of Default has occurred and is continuing, Lessor will pay the following amounts to Lessee by way of contribution to the cost of maintenance of the Aircraft, upon receipt by Lessor, within six months after commencement of such maintenance and before the Expiry Date, of an invoice and supporting documentation reasonably satisfactory to Lessor evidencing performance of the following work by the Maintenance Performer (Lessor to pay within fifteen days of receipt of all necessary documents and invoices under this Clause 6.1.1):

(a) Airframe: With respect to the Airframe, the completion, in accordance with the Lease, of the Airframe Structural Check, the lesser of (i) the amount of that invoice and (ii) an amount equal to the aggregate amount of the Airframe Supplemental Rent paid under the Lease at the date such work starts less the aggregate amount previously paid by Lessor under this sub-clause. Should a scheduled heavy maintenance check event be encountered during the Lease Term, cost of this event shall be prorated between Lessor and Lessee based on flight hours, flight cycles and/ or calendar days (whichever applicable) used by each Party;

(b) Engine Life-Limited Parts: With respect to life-limited Parts within any Engine, the performance, in accordance with the Lease, of any replacement of those Parts, the lesser of (i) the amount of that invoice and (ii) an amount equal to the aggregate amount of the Engine LLP Supplemental Rent paid in respect of that Engine under the Lease at the date such work starts less (aa) credit granted (if any) by the maintenance performer to Lessee in respect of any repairable life-limited Part which has been replaced (with such credit being calculated by reference to the then remaining life of such life-limited Part) and (bb) the aggregate amount previously paid in respect of that Engine by Lessor under this sub-clause. Should an Engine LLP part replacement be encountered during the Lease term, cost of such LLP replacement shall be prorated between Lessor and Lessee based on Engine flight Cycles used by each Party.

(c) Engine Refurbishment: With respect to any Engine, the performance, in accordance with the Lease, of Engine Refurbishment in respect of that Engine the lesser of (i) the amount of that invoice and (ii) an amount equal to the aggregate amount of the Engine Supplemental Rent paid under the Lease in respect of that Engine at the date such work starts less the aggregate amount previously paid in respect of that Engine by Lessor under this sub-clause. Should a scheduled Engine refurbishment shop visit be encountered during the Lease term, cost of this shop visit shall be prorated between Lessor and Lessee based on Engine flight hours used by each Party.

(d) APU: With respect to the APU, the performance, in accordance with the Lease, of all work on the APU in the nature of overhaul, the lesser of (i) the amount of that invoice and (ii) an amount equal to the aggregate amount of the APU Supplemental Rent paid under the Lease at the date such work starts less the aggregate amount previously paid by Lessor under this sub-clause; and

(e) Landing Gear: With respect to the Landing Gear, the performance in accordance with the Lease, of all work on the landing gear in the nature of overhaul, the lesser of (i) the amount of that invoice and (ii) an amount equal to the aggregate amount of the Landing Gear Supplemental Rent paid under the Lease at the date such work starts less the aggregate amount previously paid by Lessor under this sub-clause.

Any short fall in required reserves below the relevant aggregate (or remaining) reserves shall be paid by Lessee.

6.1.2 Additional Contribution by Lessor:

In the event that the Supplemental Rent paid by Lessee (in respect of the Airframe Supplemental Rent, Engine Supplemental Rent, Engine LLP Supplemental Rent, APU Supplemental Rent or Landing Gear Supplemental Rent severally) is insufficient to cover the amount of the relevant invoice for the first qualifying Maintenance Event after Delivery (and, for the avoidance of doubt, it is agreed that the first relevant Maintenance Event for particular Engine life-limited Parts may not be the first maintenance event in respect of other Engine life-limited Parts), Lessor shall make a contribution as follows subject to workscope being mutually agreed in writing between Lessor and Lessee prior to work being accomplished and Lessor being reasonably satisfied with Lessee's selection of Maintenance Performer (which, for the avoidance of doubt and without limitation must be made in accordance with the terms of the Lease):

The amount of the contribution shall (except in the case of Engine life-limited Parts, which shall be subject to the provision below) be the lesser of:

- (i) the amount of the shortfall (i.e. (a) the amount of the agreed invoiced cost of such works less (b) an amount equal to the aggregate amount of the relevant category of Supplemental Rent paid under the Lease at the date such work starts less the aggregate amount previously paid by Lessor to Lessee as a contribution to the cost of maintenance in respect of such category); and
- (ii) an amount equal to the number of Flight Hours or Cycles, as applicable, since new or since last Maintenance Event at Delivery to Lessee, multiplied by the corresponding Supplemental Rent rate at Delivery.

For the avoidance of doubt "Maintenance Events" are defined as follows: Airframe Maintenance, Engine Refurbishment, Engine life-limited Parts replacement, APU overhaul and Landing Gear overhaul.

PROVIDED THAT In respect of the Engine life-limited Part replacements taking place during the term, Lessee will notify Lessor at the time of each engine removal and cooperate with Lessor to provide access during the shop visit in order to allow Lessor and Lessee to agree a mutually acceptable workscope and life-limited Part build standard. If the Supplemental Rent paid by Lessee under this Lease for any such agreed life-limited Part replacements is insufficient to cover the amount of the relevant invoice for such life-limited Part replacements, Lessee shall be entitled to a contribution from Lessor equal to the lesser of (i) the shortfall or (ii) an aggregate amount calculated for the Engine on the basis of the number of Cycles used since new for each life-limited Part at Delivery multiplied by cost per cycle of such life limited Part (using the Engine LLP Supplemental Rent Rate as at Delivery for each Engine Cycle consumed).

For avoidance of doubt, if the Maintenance Events invoice exceeds the contribution of both the Lessor and Lessee, any additional amounts shall be paid by both Parties in pro rata.

6.1.3 Quiet Enjoyment

So long as no Event of Default shall have occurred and be continuing, none of Lessor or any Person validly claiming by or through Lessor shall violate Lessee's quiet enjoyment of the use, operation and possession of the Aircraft for the Lease Term of this Lease, but only as long as the Lessee fulfills all of its obligations towards Lessor or any of its subsidiaries whether under this Lease or any Operative Document or any other obligations.

6.1.4 No Claims by Lessor

For the benefit of each Lessor of an airframe or engine leased to Lessee and each holder of a security interest in an airframe or engine owned by Lessee under a security agreement, Lessor shall not acquire or claim, as against such lessor or security interest holder, any right, title or interest in any engine covered by any such lease or security agreement as a consequence of such engine being attached to the Airframe, provided that such agreement of Lessor shall not be for the benefit of any such lessor or security interest holder of an airframe which has not also expressly agreed for the benefit of Lessor (which may be contained in the relevant lease or security agreement, provided that Lessor is entitled to rely on and enforce the same) that neither it nor its successors or assigns will acquire, as against Lessor, any right, title or interest in an Engine as a result of such Engine being installed on such airframe.

6.2 Lessee's Covenants

Lessee covenants and agrees with Lessor that during the Lease Term:

6.2.1 Duration

Lessee shall perform and comply with its undertakings and covenants stated in this Lease, including those in Schedule 2, at all times during the Lease Term. All such undertakings and covenants shall, except where expressly otherwise stated, be performed at the expense of Lessee.

6.2.2 Reporting Requirements

Lessee shall furnish to Lessor:

- (1) On the fifth day of each calendar month during the Lease Term, a completed and duly executed Aircraft Status Report in respect of the previous month and substantially in the form of Exhibit D (or such other form as Lessor may reasonably require).
- (2) Notice promptly of the occurrence of (a) any event, happening or circumstance which constitutes or which could reasonably be expected to have an adverse effect on the Lessee's ability to perform its obligations under this Lease, upon the occurrence thereof, (b) a Default, immediately after an officer of Lessee obtains knowledge thereof, (c) any violation by Lessee of any Law applicable to Lessee and the Aircraft, Lessee's operation of the Aircraft or any Operative Document and (d) any loss or damage (whether or not constituting an Event of Loss) of or to the Aircraft or any part thereof for which the cost of correction or repairs may exceed the Damage Notice Threshold.
- (3) Such other information respecting the financial condition of Lessee, or the location, condition, use and operation of the Aircraft, as Lessor may from time to time reasonably request. In addition, Lessee shall promptly on request furnish or cause to be furnished to Lessor such information as may be required to enable an Indemnified Party to file on a timely basis any reports, returns or filings which it may provide to any Government Entity because of its rights, title and interests in and to the Aircraft or under any Operative Document, including the information required in Section 1.4 of Schedule 2.

Lessee hereby warrants that throughout the Lease Term it is aware of and shall abide with all U.S. embargo/export laws and that it shall not at any time operate the Aircraft in violation to such laws. Lessee shall bear full responsibility and shall hold the Lessor harmless from any action that may arise in relation to this Sub-Article 6.2.3.

For avoidance of doubt, Lessee's indemnification provided under this Sub-Article shall survive Termination of this Lease.

- (4) Advance notice of any off-aircraft schedule maintenance on either Engine, with Lessee to provide such notice, to the extent possible, at least 15 days prior to removal. It is however that if any un-schedule off aircraft maintenance involve on the engine and the nature and exposure of the maintenance if it results in an insurance claim in excess of the Damage Notification Threshold, the Lessee will inform Lessor within 10 Business day of such un-schedule maintenance, and Lessor shall provide all necessary assistance to Lessee to satisfy the insurance requirements..



6.2.3 Liens

Lessee shall not create, incur, assume or suffer to exist, any Lien on or with respect to the Aircraft, any Engine or any Part or any Operative Document, or in any right, title or interest in any of the foregoing, except (a) the rights of Lessor provided in the Operative Documents, (b) Lessor Liens, (c) the rights of others under agreements or arrangements to the extent agreed in writing by Lessor (d) Liens for Taxes of Lessee arising in the ordinary course of business either not yet due or being contested in good faith by Lessee, which do not give rise to any appropriate proceedings so long as the continued existence of any such Lien does not expose the Aircraft or any interest therein or of any criminal or likelihood of the sale or forfeiture of any portion of the Aircraft or any interest therein or of any criminal or civil liability of any Indemnified Party or other liens (the Liens described in clauses (a) through (e), collectively, "**Permitted Liens**"). Without limiting the foregoing or any other provision of any Operative Document, Lessee will not do or permit to be done anything which may expose the Aircraft or any part thereof to penalty, forfeiture, seizure, arrest, impoundment, detention, confiscation, taking in execution, attachment, appropriation or destruction, or which may jeopardize the rights of Lessor in the Aircraft or which may expose any Indemnified Party to any criminal or civil liability, nor abandon the Aircraft or any part of the Aircraft.

If the Lessee shall use any maintenance facility other than Lessee's own maintenance facilities it shall clearly indicate to such facility in advance and in writing that the Lessor is the owner of the Aircraft and any part thereof and that under any circumstances such maintenance facility shall not by performing maintenance get a lien of whatever kind or nature and for whatever reason on the Aircraft or any part thereof, and Lessee shall obtain a written acknowledgement and acceptance of such undertakings in advance.

For avoidance of doubt Lessee will not:

- (i) represent that it is the owner of the Aircraft or that it has an economic interest (equivalent to ownership) in the Aircraft for Tax treatment or other purposes;
- (ii) take any action or fail to take any action if it could put Lessor's rights at risk;
- (iii) represent to others that Lessor is associated with or responsible for the business activities and/or flight operations of Lessee.
- (iv) allow the Aircraft or Lessor's interest in it to become or remain subject to any Security Interest (other than a Permitted Lien); nor
- (v) allow any interests conflicting with (whether or not taking priority over) the interests of Lessor to be registered at the international registry without the prior written consent of Lessor.

6.2.4 Financial covenants:

Maintaining a positive level of Working Capital.

7. TITLE; REGISTRATION AND FILINGS.

7.1 Title to the Aircraft

Lessee acknowledges that title to the Aircraft and any of its parts shall at all times be and remain solely and exclusively vested in Lessor and that the Operative Documents constitute for all purposes, including tax purposes, an agreement by the Lessor to lease the Aircraft to Lessee and, accordingly, Lessee shall have no right, title or interest in the Aircraft except the right to use the Aircraft during the Lease Term as provided herein in this Lease.

Lessee will not at any time represent or hold out Lessor as carrying goods or passengers on the Aircraft or as being in any way connected or associated with any operation of the Aircraft or pledge the credit of Lessor or, except as expressly provided herein, attempt, or hold itself out as having any power, to sell, charge, lease or otherwise dispose of or encumber the Aircraft, the Engines or any Part and shall at all times make clear that title to the Aircraft is held by Lessor.

7.2 Registration, Recordation, Filings
Lessor shall work with Lessee to ensure that on the Delivery Date the Aircraft is duly registered with the Civil Aviation Authority of Bangladesh in the name of Lessor as owner and Lessee shall maintain such registration during the Lease Term. During the Lease Term, Lessor shall be allowed to take, or cause to be taken, such action with respect to the deregistration of the Aircraft, registration, recording, filing, reregistering, rerecording and filing of any Operative Document, or other documents or instruments and take such other actions (including amending the Operative Documents and/or entering into new agreements and other documents reflecting the commercial agreements of Lessor and Lessee under the Operative Documents), in each case as necessary or advisable under the Laws of the State of Registration, the Lessee Jurisdiction or any jurisdiction in which the Aircraft will be operated or under any international treaty, convention or protocol, fully to protect, establish, perfect and preserve Lessor's rights and interests in the Aircraft, the Operative Documents as against Lessee and any other person. Lessee shall not take any action or omit to take any action that may invalidate any such deregistration of the Aircraft, registration, recording, filing, reregistering, rerecording and refiling or otherwise prejudice Lessor's rights and interests in the Aircraft, the Operative Documents as against Lessee and any other Person. Lessee shall ensure that the original certificate of registration for the Aircraft is kept in the Aircraft. Any costs and/or expenses relating to or in connection with the registration, recordation and/or filing including legal counsel fees will be borne by Lessee.

8. POSSESSION

8.1 No Transfer of Possession

Lessee shall not, for the duration of the Lease Term in any manner deliver, transfer or relinquish possession of the Aircraft, Airframe or an Engine or any Part, or install an Engine or any part thereof or any Part, or permit any such Engine or any part thereof to be installed, on an airframe.

To maintain the Aircraft airworthy Lessee shall be allowed to install parts for the purpose of flight, provided that the part is not PMA and the taking into consideration that the Aircraft shall be redelivered to lessor with the delivered serial numbers unless otherwise agreed in writing by the Lessor.

8.1.1 Wet Lease

Lessee shall not Dry lease the Aircraft to any third party under any arrangement. The Lessee shall not have the right to wet lease the Aircraft without the prior written consent of the Lessor, in Lessor's sole discretion. If Lessor allows Lessee to wet lease the Aircraft, in all cases the Aircraft shall at all times (a) remain in the sole and direct possession, dominion and control of Lessee, (b) maintain its registration in the State of Registration without any amendment or modification as a consequence of such arrangement, (c) be operated solely and directly by regular employees of Lessee, and (d) be maintained, insured and otherwise operated by Lessee in accordance with all Laws applicable to Lessee and the requirements of each Operative Document (and pursuant to which no possessory rights whatsoever are granted to the wet lessee)(e) Lessor approves the lease agreement to be entered between the Lessee and any third party airline (f) the third party airline should be in a good standing financial position . Lessor may request any additional requirements to prefect its rights under the lease. Any and all cost and expenses may be incurred for reviewing and perfecting the documents and Lessor's rights shall be borne by Lessee.

8.1.2 Maintenance

8.1.2.1 Lessee may deliver or cause to be delivered possession of the Aircraft or an Engine or any Part to the manufacturer thereof or to any Agreed Maintenance Performer for testing, service, repair, maintenance or overhaul work or for alterations, modifications or additions to the extent required or permitted by the terms hereof provided. However, for any maintenance work that: (a) is not line maintenance, or (b) is anticipated to cost more than \$200,000, there shall be a services agreement between Lessee and the service provider that shall explicitly state that the Lessor is the owner of the Aircraft Engine or the Part and that the Agreed Maintenance Performer shall not impose any lien of whatever kind or nature on either the Airframe or the Engines or any other Part of the Aircraft, such services agreement to be reviewed and accepted by Lessor in writing.

8.1.2.2 Lessee shall be responsible at its cost for the maintenance required for the Aircraft during the Lease Term, including compliance with airworthiness directives (AD's) issued by the Aircraft original type certificating authority and mandatory service bulletins.

8.1.2.3 Lessee shall abide by the maintenance program intervals as approved by the Civil Aviation Authority of Bangladesh (CAAB)

8.1.2.4 Except for "C" checks Lessee shall perform all Line and Hangar maintenance as per approved Maintenance Schedule/Program (prepared and customized on the basis of Boeing MPD) which includes but not limited to all Letter Checks, Flight Hours, flight Cycle, and Calendar limited Airframe and Structural Checks whether schedule or non-schedule task within the Scope and limitation mentioned in the Certificate of Approval issued by Civil Aviation Authority of Bangladesh. Any maintenance which is beyond the scope and capability of Lessee own Certificate of Approval shall be performed at an EASA/FAA approved maintenance facility approved in writing by Lessor.

8.2 General

The rights of any Person who receives possession of the Aircraft, Airframe, any Engine or any Part shall be subject and subordinate to all the terms of each Operative Document, including the covenants contained in this Section 8 and in Section 11 and the rights of Lessor to retake possession pursuant to Section 13 and to avoid any transfer of possession by Lessee. No relinquishment or transfer of possession of the Aircraft, Airframe, any Engine or any Part, shall in any way release, discharge or otherwise limit or diminish any of Lessee's obligations to Lessor (it being agreed that notwithstanding any such transfer or relinquishment of possession, Lessee shall continue to be primarily liable and responsible for performance of all of its obligations under each Operative Document), or constitute a waiver of Lessor's rights or remedies hereunder or affect the registration of the Aircraft during the Lease Term and until the Redelivery of the Aircraft.

8.3 Access

(a) Lessee will permit Lessor's representative access to the Aircraft at any reasonable time. Unless a Default has occurred and is continuing, Lessor will give Lessee reasonable prior notice. Lessee shall comply with the reasonable requests of Lessor's representative, including any request to travel on the flight deck of the Aircraft as an observer, subject to any applicable regulations.

(b) The cost of a visit shall be borne by Lessor unless (i) an Event of Default has occurred and is continuing or (ii) as a result of that visit, Lessee is found to be materially in default of its obligations under the Lease, when the reasonable cost of transportation and accommodation shall be borne by Lessee.

(c) No liability or obligation will be incurred by Lessor by reason of not exercising its rights referred to in this Clause. For the avoidance of doubt, any viewing of the Aircraft by Lessor shall be for Lessor's information purposes only and there shall be no inference or implication therefrom that Lessee is in compliance with its obligations under the Lease.

9. INDEMNITIES

9.1 General Indemnity

Subject only to the exceptions set forth in Section 9.2, Lessee hereby assumes liability for and hereby agrees on demand to indemnify and keep indemnified each Indemnified Party against, and agrees to protect, save and keep harmless each Indemnified Party from (whether or not the transactions contemplated in the Operative Documents are consummated), any and all expenses from time to time imposed on, incurred by or asserted against any Indemnified Party in any way relating to or arising out of:

- (1) The Aircraft, the Airframe, any Engine or engine installed on the Aircraft, any Part, any Aircraft Documentation or any other thing delivered under any Operative Document;
- (2) The acceptance, delivery, lease, registration, deregistration, ownership (but only to the extent relating to, or attributable to or arising as a result of the transactions contemplated by the Operative Documents), re-registration, possession, repossession, presence, operation, location, condition, use or non-use, control, management, airworthiness, overhaul, replacement, existence, insurance, storage, preparation, installation, testing, manufacture, design, modification, alteration, maintenance, repair, re-lease or sale or any other transfer or disposition (in the case of each such

re-lease, sale or other transfer or disposition, after the occurrence of an Event of Default), return, transfer, exportation, importation, abandonment or other disposition of, or the imposition of any Lien (or the incurrence of any liability to refund or pay over any amount as the result of any such Lien) on, the Aircraft, the Airframe, any Engine or engine, any Part or any other thing delivered under any Operative Document (whether on the ground or in the air) or any interest therein regardless of when the same arises; and

- (3) Any Operative Document, any of the transactions contemplated thereby or the enforcement of any of the terms thereof, including any breach or noncompliance by Lessee of any provision of any Operative Document or the enforcement of this Section 9.

9.2 Exceptions to General Indemnity

The indemnity provided for in Section 9.1 will not extend to any of the following Expenses of a particular Indemnified Party (but without limiting any rights of Lessor under Section 13):

- (1) Expenses solely and directly caused by the gross negligence or misconduct of such Indemnified Party;
- (2) Taxes, it being agreed that Section 9.3 and Section 3-3-1 set forth the agreements of Lessor and Lessee in relation to Taxes;
- (3) Expenses attributable solely to acts of such Indemnified Party or events which occur after this Lease has terminated or expired and Lessee has returned the Aircraft to Lessor in the condition and manner required by this Lease, and which are not attributable to acts, events or circumstances occurring prior to such termination or expiration and such return;
- (4) Expenses that Lessor has expressly agreed to pay under this Lease;
- (5) Expenses attributable to Lessor Liens;
- (6) Expenses solely and directly caused by a breach by such Indemnified Party of any covenant, or by the inaccuracy or falsity of a representation or warranty made by such Indemnified Party, in this Lease or the documents and agreements delivered by such party to Lessee; and

9.3 Taxes

Lessee's tax indemnity and other related agreements are contained in Schedule 6, which schedule is hereby incorporated in this Section 9.3 by reference.

9.4 Currency Indemnity

- (1) If any Indemnified Party or Tax Indemnitee receives an amount from Lessee in respect of Lessee's liability under any Operative Document, or if such a liability is converted into a claim, proof, judgment or order, in a currency other than the currency (the "**contractual currency**") in which the amount is expressed to be payable under any Operative Document, and if the amount received by such Indemnified Party or Tax Indemnitee, when converted into the contractual currency (at the market rate at which such Indemnified Party or Tax Indemnitee is able on the relevant date to purchase the contractual currency (Central Bank of Egypt) Egypt in US Dollars or, at such Indemnified Party's), is less than the amount owed by Lessee in the contractual currency, then Lessee shall on demand pay the amount of such deficit to such Indemnified Party or Tax Indemnitee, in the contractual currency, along with any costs or Taxes it shall have incurred or will incur in connection therewith.
- (2) Lessee waives any right it may have in any jurisdiction to pay any amount under any Operative Document in a currency other than that in which it is expressed to be payable.

9.5 Scope, Survival

- (1) Lessee shall be obligated under this Section 9 as a primary obligor irrespective of whether an Indemnified Party or Tax Indemnitee shall also be indemnified, guaranteed or insured with

respect to the same matter under any of the Operative Documents or otherwise by any other Person, and such Indemnified Party or Tax Indemnitee may proceed directly against Lessee under this Section 9 without first resorting to any such other rights of indemnification, guarantee or insurance and without declaring this Lease to be in default or taking other action under any Operative Document.

- (2) Each Indemnified Party and Tax Indemnitee will give prompt written notice to Lessee of any liability of which such party has knowledge for which Lessee is, or may be, liable under Section 9.1 provided that failure to give such notice will not prejudice or otherwise affect any of the rights of the Indemnified Parties or Tax Indemnitees under Section 9.1.
- (3) Lessee shall provide the relevant Indemnified Party or Tax Indemnitee with such information not within the control of such Person, as is in Lessee's control or is reasonably available to Lessee, which such Person may reasonably request and Lessee shall otherwise cooperate with and consult with such Person so as to enable such Person to defend any action, suit or proceeding brought against such Person for which Lessee is responsible under this Section 9, provided that nothing contained in this Section 9 shall be deemed to require any such Person to contest any Expense or to assume responsibility for or control of any judicial proceeding with respect thereto.

9.6 Continuing Indemnity

Lessee shall effect and maintain customary liability insurance, as described in exhibit B after the expiry date of the Lease Term with respect to its liability under this Lease for two years, and such insurance shall name each Indemnitee as an additional insured.

10. RISK OF LOSS, DESTRUCTION AND REQUISITION.

10.1 Risk of Loss

Throughout the Lease Term and until the Return, Lessee shall bear all risk of loss, damage, theft or destruction of, or any other Event of Loss with respect to, the Aircraft, the Airframe, each Engine and each Part, including any resulting loss in value of the Aircraft due to any such loss, damage, theft or destruction of the Aircraft, the Airframe, any Engine or any Part under any circumstances of whatever nature.

10.2 Notice of Damage or Event of Loss

- (1) Lessee shall notify Lessor promptly of any loss or damage (whether or not constituting an Event of Loss) of or to the Aircraft, the Airframe or any Engine for which the cost of correction or repairs may exceed the Damage Notice Threshold and, if not constituting an Event of Loss, shall provide Lessor promptly with a proposal for carrying out the correction or repair. Lessee and Lessor agree that if any dispute arises about the scope or nature of such correction or repair, they shall consult with Airframe Manufacturer, Engine Manufacturer or other relevant manufacturer, as appropriate, and both Parties agree to accept as conclusive, and be bound by such manufacturer's directions or recommendations as to the manner in which to carry out such correction or repair.
- (2) Upon the occurrence of (a) an event or circumstance which may (given the passage of time or otherwise) result in an Event of Loss of the Aircraft or any Engine, Lessee shall promptly notify Lessor of such event or circumstance and of the steps being taken (or proposed to be taken) with respect thereto and (b) an Event of Loss with respect to the Aircraft or any Engine, Lessee shall forthwith (and in any case within two days after such occurrence) give Lessor written notice of such Event of Loss and Lessee shall take all reasonable steps in order to preserve the Aircraft or Engine, as applicable, including the Aircraft Documentation, for purposes of investigation.

10.3 Event of Loss With Respect to the Aircraft

- (1) By the earlier of (a) 90 days after the occurrence of an Event of Loss with respect to the Aircraft or (b) the date on which the applicable insurance or requisition proceeds are paid, Lessee shall pay or cause to be paid to Lessor the Stipulated Loss Value, unless (i) an amount equal to the Stipulated Loss Value was actually received by Lessor from the insurers or, in the case of a

requisition, from the relevant Government Entity and (ii) Lessor was able, under applicable Law, to apply such amount against Lessee's obligation to pay the Stipulated Loss Value.

- (2) Until the date on which the Stipulated Loss Value is paid irrevocably and unconditionally in full, Lessee shall continue to pay all Rent—Periodic as scheduled and shall continue to perform all of its other obligations under the Operative Documents, except to the extent rendered impossible by the occurrence of such Event of Loss or rendered, in the opinion of Lessor, unnecessary. If the Stipulated Loss Value is paid irrevocably and unconditionally on a date other than a Rent Payment Date, Lessor shall, so long as no Default has occurred and is continuing, refund or cause to be refunded to Lessee any paid but un-accrued Rent—Periodic.
- (3) Upon irrevocable receipt by Lessor of the full amount of the Stipulated Loss Value pursuant to this Section 10.3, and if all Secured Obligations have been paid or performed, then Lessor shall, (a) upon the joint written request of Lessee and each relevant insurance underwriter, convey or cause to be conveyed to the Person designated in such request title to the Aircraft (including the Engines and all Parts) without recourse or warranty (except as to absence of all rights of Lessor and all Lessor Liens) and subject to the disclaimer set forth in Section 3 of Part II of Schedule 3 and (b) return to Lessee the non-used period in operations Supplemental Rent Reserves, security deposit or the remainder thereof and any other financial amount then held by Lessor.

10.4 Event of Loss With Respect to an Engine

If an Event of Loss occurs with respect to an Engine, under circumstances not constituting an Event of Loss with respect to the Aircraft, then:

- (1) Lessee shall promptly and, in any event, within 60 days after the occurrence of such Event of Loss (or, if earlier, the date of expiration or termination of the Lease Term), convey or cause to be conveyed to Lessor with full title guarantee, as replacement for the Engine with respect to which such Event of Loss occurred, title to a Replacement Engine, free and clear of all Liens (other than Permitted Liens).
- (2) Prior to or at the time of any conveyance of a Replacement Engine, Lessee shall comply with each of the following requirements:
 - (a) Furnish Lessor with a full warranty bill of sale, in form and substance satisfactory to Lessor conveying legal and beneficial title to Lessor of such Replacement Engine, free of Liens (other than Permitted Liens), execute a supplement subjecting such Replacement Engine to this Lease and furnish such evidence and opinions relating to the transfer of title to such Replacement Engine and the effectiveness of such supplement as Lessor shall request.
 - (b) File such instruments as are necessary or advisable in Lessor's reasonable opinion to establish and protect the interests (ownership) of Lessor in any such Replacement Engine
 - (c) Assign to Lessor the benefit of all manufacturers' and vendors' warranties with respect to such Replacement Engine, if any.
- (3) Upon compliance by Lessee with the requirements of this Section 10.4, Lessor shall, upon the joint written request of Lessee and each insurer which contributed to the payment of any insurance proceeds with respect to the lost Engine, convey or cause to be conveyed to the Person designated in such request title to such Engine without recourse or warranty (except as to absence of all rights of Lessor and all Lessor Liens) and subject to the disclaimer set forth in Section 3 of Part II of Schedule 3, and such Engine shall thereupon cease to be an Engine leased hereunder and, for all purposes of the Operative Documents, the conveyed Replacement Engine shall be deemed part of the property leased hereunder, and shall be deemed an "Engine."
- (4) No Event of Loss with respect to an Engine, shall result in any reduction in or abatement of Rent.

Other than as provided in this Section 10.4 and Section 1.2(7) of Schedule 2, Lessee shall not have the right to substitute any engine for an Engine.

11. INSURANCE

11.1 Scope of Insurances

At all times during the Lease Term, and until the Aircraft is returned to Lessor in the condition and manner required by each Operative Document, Lessee shall maintain or cause to be maintained with respect to the Aircraft, at its own expense, the following described insurances:

11.1.1 Liability Coverage

Aviation legal liability and airline comprehensive general liability for Bodily Injury and Property Damage arising from aviation operations including aircraft third party, passenger, passenger baggage, cargo, mail and aviation general third party Legal Liability, including premises, hanger keepers and products Liability.

11.1.2 Hull and Spares Coverage

Hull all-risk ground and flight aircraft hull insurance covering the Aircraft, and all-risk spares insurance covering Engines and Parts while not treated as part of Aircraft for insurance purposes (including while in transit), (1) for an agreed value not less than the Stipulated Loss Value in respect of all-risk hull insurance and (2) for the fair market value in respect of spares insurance.

Hull agreed value 55,000,000 USD (fifty five million), which will be reduced by 5.5 million USD annually from the date of Delivery of the Aircraft.

11.1.3 War Hull and Spares Coverage

War-risk, hijacking and allied perils insurance, on form LSSsW555D, covering each of the perils specified in paragraphs (a) and (c) through (g), inclusive, of AVN.48B, including requisition by the government of registry of the Aircraft, in an amount at least equal to (1) the Stipulated Loss Value, in respect of hull coverage (and with an overall policy limit, any one loss and in all during the policy period, in an amount reasonably satisfactory to Lessor from time to time) and (2) fair market value in respect of spares coverage.

11.1.4 General Requirements

The insurances required under Sections 11.1.1 through 11.1.3 shall (1) apply worldwide, subject to standard insurance market geographical exclusion, provided that such geographical exclusion do not exclude any area where the Aircraft is operated and that overlying of such excluded areas is covered, (2) be of the type and covering the same risks usually carried by normal international airlines operating similar aircraft and engines on similar routes, and, in any case, covering risks of the kind customarily insured against by such air carriers with respect to aircraft operating on such routes, and shall be reasonably satisfactory in form and substance to Lessor, (3) be placed with insurers or reinsured with reinsurers in the London markets (and if placed through brokers, through brokers) which are of recognized responsibility and good repute, specializing in and normally participating in the aviation insurance markets, (4) in the case of hull and spares coverage, provide for deductibles (except in connection with a total loss) in such amounts as are customary with respect to aircraft and engines of the same type and used in the same manner as the Aircraft or Engines, as the case may be, by other similar air carriers, but in no event in an amount greater than the Stipulated Deductible Amount per aircraft or engine per occurrence and in no event shall any other form of self-insurance be permitted with respect to the risks covered by any insurance required under this Section 11, and (5) otherwise comply with the requirements set forth in, and be consistent with the issuance of a valid Certificate of Insurance in the form of Exhibit B (together with such additional endorsements, or such documentation in relation to any relevant government program, to demonstrate compliance with Section 11.1.3). For the avoidance of doubt, it is a specific requirement of this Lease that the insurances comply and be consistent with the provisions set out in the form of Certificate of Insurance attached as Exhibit B.

11.2 Application of Proceeds of Hull Insurance

11.2.1 Aircraft Event of Loss

All proceeds of hull and hull war insurance maintained in compliance with this Section 11 and received by Lessor as the result of the occurrence of an Event of Loss with respect to the Aircraft shall be paid in accordance with Exhibit B.

11.2.2 Damage Not Constituting an Aircraft Event of Loss

All proceeds of casualty insurance maintained in compliance with this Section 11 and received with respect to damage to or loss of any part of the Aircraft (including an Engine) in circumstances not constituting an Event of Loss with respect to the Aircraft shall be paid in accordance with Exhibit B.

11.3 Liability Insurance

After the last day of the Lease Term or the next major check, Lessee shall carry, at its own expense, liability insurance of the types (or the equivalent) and in the amounts required under Section 11.1.1 and each Insured Party shall be named as an additional insured thereunder, - for a period ending by the earlier of 2 years from the last day of the lease term or the first major check. This obligation shall survive and remain in full force and effect, notwithstanding the expiration or termination of the Lease Term or of any Operative Documents.

11.4 Reports

Lessee shall furnish, or cause to be furnished, to Lessor on or before the Delivery Date and not later than the renewal date of any insurance, and otherwise upon reasonable request a Certificate of Insurance substantially in the form of Exhibit B and a broker's letter in the form of Exhibit C.

11.5 Special Undertakings

(1) Lessee shall comply with the terms and conditions of each policy of the insurances required by this Section 11 and shall not do, consent or agree to, or permit, any act or omission which (a) invalidates or may invalidate such insurances, (b) renders or may render void, voidable, unenforceable or otherwise not in full force in effect the whole or any part of any such insurances or (c) brings any particular liability within the scope of an exclusion or exception to such insurances.

(2) Lessee will:

(a) ensure that all legal requirements as to insurance of the Aircraft, any Engine or any Part which may from time to time be imposed by the Laws of the State of Registration or any state to, from or over which the Aircraft may be flown, in so far as they affect or concern the operation of the Aircraft, are complied with and, in particular, those requirements of compliance with which is necessary to ensure that (i) the Aircraft is not in danger of detention or forfeiture, (ii) the Insurances remain valid and in full force and effect and (iii) the interests of the Indemnified Parties in the Insurances and the Aircraft, any Engine or any Part are not thereby prejudiced; and

(b) not use, cause or permit the Aircraft, any Engine or any Part to be used for any purpose or in any manner not covered by the Insurances or outside any geographical limit imposed by the Insurances.

(3) If at any time Lessee fails to maintain insurance in compliance with this Section 11, Lessor shall be entitled but not bound to do any of the following, without prejudice to any other rights which it may have under this Lease or any other Operative Document by reason of such failure, (a) to pay any premiums due or effect or maintain such insurance or otherwise remedy such failure in such manner as Lessor considers appropriate, and Lessee shall upon demand reimburse Lessor in full for any amount so expended together with interest at the Past Due Rate, from the date of expenditure by Lessor to the date of reimbursement by Lessee, and/or (b) at any time while such

failure is continuing, require the Aircraft to remain at any airport or proceed to and remain at any airport designated by Lessor until such failure is remedied to Lessor's satisfaction.

11.6 Change of Circumstance and Industry Practice

In the event that there is a material change in the generally accepted industry-wide practice with regard to the insurance of similar aircraft operated in similar circumstances or any material change with respect to the insurance of similar aircraft based or operated in any jurisdiction in which the Aircraft may then be based or operated (whether relating to all or any of the types of insurance required to be effected under this Section 11), such that Lessor, on the basis of advice received from an independent insurance advisor of international reputation, shall be of the reasonable opinion that the insurance required pursuant to this Section 11 is insufficient to protect the respective interests of Lessor and/or any other Insured Parties, the insurance requirements set forth in this Section 11 shall be amended so as to include such additional or varied requirements as Lessor (upon the advice of such independent insurance advisor) may reasonably consider appropriate.

11.7 Additional Insurance

Lessee acknowledges that Lessor has an insurable interest in the Aircraft. Lessor shall have the right to obtain insurance in its own name and at its own expense with respect to such insurable interest. Lessee shall render Lessor all reasonable assistance requested by it in order that it may adequately protect such insurable interest. Lessee agrees that the maximum amounts payable to it or to others for its account or to be applied in discharge of its obligations by any underwriter or carrier of insurance maintained by Lessee upon the occurrence of an Event of Loss with respect to the Aircraft shall be limited to the Stipulated Loss Value unless the maintenance of any such insurance in an amount in excess of such Stipulated Loss Value does not prejudice Lessor's interests under the insurances otherwise required by this Section 11 or prevent Lessor from obtaining such insurances as it requires.

12. EVENTS OF DEFAULT

A fundamental term and condition of this Lease is that none of the following events shall occur during the Lease Term and that the occurrence of any of the following events shall constitute a repudiatory breach of this Lease and an "**Event of Default**" (whether any such event shall be voluntary or involuntary or come about or be effected by operation of Law or pursuant to or in compliance with any judgment, decree or order of any court or any order, rule or regulation of any Government Entity).

12.1 Payments

- (1) Lessee failed to make any periodic or scheduled payment (including any payment of Rent-Periodic, Rent Supplemental, Reserves or Stipulated Loss Value) when it becomes due; or
- (2) Lessee failed to make any other payment in accordance with the Operative Documents when the same shall have become due and such failure shall continue for two days after demand by Lessor; or

12.2 Covenants; Representations and Warranties

- (1) Lessee failed to carry and maintain any insurance required to be maintained under Section 11 (or a notice of cancellation in relation to such insurance is issued without such insurance having been replaced or extended), the Aircraft operated in contravention of the requirements of the conditions of any such insurance, or Lessee breached any warranty or condition of any such insurance; or
- (2) Lessee failed to accept delivery of the Aircraft when obliged to do so under Section 2 or have otherwise failed to perform its obligations under the Operative Documents with the effect that the delivery of the Aircraft is delayed; or
- (3) Lessee failed to return the Aircraft at the end of the Lease Term or any such earlier date as the case maybe in the condition required by Schedule 4; or

- (4) Lessee failed to comply with, observe or perform, or shall fail to cause to be complied with, observed and performed, any of its covenants, agreements, warranties or obligations under any Operative Document and, except to the extent provided above in this Section 12.; or
- (5) Any material representation or warranty made by Lessee in any Operative Document shall have proven to have been incorrect, inaccurate or untrue in any material respect as of the time made or repeated and, only if the same is capable of cure, such incorrectness, inaccuracy or untruth shall have continued for a period of 5 days after the earlier of (a) Lessee becoming aware of such and (b) written notice thereof to Lessee.

12.3 Voluntary Bankruptcy

Lessee shall have (1) commenced any proceeding or filed any petition seeking relief under any applicable bankruptcy, insolvency, liquidation, administration, receivership or other similar Law, (2) consented to or acquiesced in the institution of, or failed to contravene in a timely and appropriate manner, any such proceeding or the filing of any such petition, (3) applied for or consented to the appointment of a conciliator, receiver, trustee, custodian, administrator, sequestrator or similar official for itself or for substantially all of its property or assets, (4) filed an answer admitting the material allegations of a petition filed against it in any such proceeding; (5) proposed or entered into any composition or other arrangement, or made a general assignment, for the benefit of creditors or declared a moratorium on the payment of indebtedness, or (6) sought its own liquidation, reorganization, dissolution, administration or winding up;

12.4 Involuntary Bankruptcy

A proceeding shall have been commenced or a petition shall have been filed, in either case, without the consent or application of Lessee, seeking (1) relief in respect of Lessee or of substantially all of its property or assets under any applicable bankruptcy, insolvency, liquidation, administration, receivership or similar Law, (2) the appointment of a conciliator, receiver, trustee, custodian, administrator, sequestrator or similar official for Lessee or for substantially all of its property or assets, or (3) the liquidation, reorganization, dissolution, administration or winding up of Lessee; and such proceeding or petition shall continue undismissed for 90 days or an order or decree approving or ordering any of the foregoing shall be issued and shall not immediately be stayed;

12.5 Existence, Validity.

It is or becomes unlawful for Lessee to perform any of its obligations under any Operative Document to which it is a party, or any Operative Document to which it is a party is or becomes wholly or partly illegal, invalid or unenforceable or the existence, validity, enforceability or priority of the rights of Lessor or the Aircraft or under any Operative Document or otherwise, are or become illegal, invalid or unenforceable or are challenged by Lessee or any other Person claiming by or through Lessee, or the existence, validity, enforceability or priority of the rights of the Financing Parties under the Financing Security Documents are challenged by Lessee or any other Person claiming by or through Lessee;

12.6 Adverse Change

A Material Adverse Effect shall occur.

12.7 Cross default

A default under any agreement between the Lessee and the Lessor or any of its subsidiaries including any maintenance agreement to be entered into between Lessee and EGYPTAIR Maintenance and Engineering with respect to the Aircraft or the non payment of any operational fees, dues or similar charges, such as Eurocontrol or fuel, when due on either Aircraft.

Failure of Lessee to pay to any third party charges incurred due to services provided to the either Aircraft.

13. REMEDIES

13.1 Event of Default

Upon the occurrence of any Event of Default and so long as the same shall be continuing, Lessor shall have the right to, in each case exercisable in Lessor's sole discretion, (1) accept such Event of Default as a repudiation of this Lease and terminate the Lease Term and/or terminate this Lease and each other Operative Document and (2) whether or not Lessor exercises its rights under part (1) above, do all or any of the following, at its option and in its sole discretion whereupon all rights of Lessee under this Lease and the Operative Documents shall cease forthwith (but without prejudice to the continuing obligations of Lessee thereunder) in addition to such other rights and remedies which Lessor may have under Law:

13.1.1 Retake Possession

Upon the written demand of Lessor and at Lessee's expense, Lessee shall return promptly (and in no event more than three (3) days after a written request therefor), the Aircraft and each of the Parts thereof (including the Aircraft Documentation) as Lessor may so demand to Lessee or its order in the manner and condition required by, and otherwise in accordance with all the provisions of, this Lease as if such were being returned at the expiration of the Lease Term, or Lessor at its option, may enter upon the premises where the Aircraft or any Part thereof is located and take immediate possession of and remove the same (together with any engine which is not an Engine but which is installed on the Airframe, subject to all the rights of the owner, lessor, lienor or secured party of such engine, and such engine shall be held for the account of any such owner, lessor, lienor or secured party or, if owned by Lessee, may, at the option of Lessor, be exchanged with Lessee for an Engine as if the original Engine had suffered an Event of Loss) by summary proceedings or otherwise, (and/or, at Lessor's option, store the same at Lessee's premises until disposal thereof by Lessor).

13.1.2 Termination or Enforcement

Terminate this Lease and any other Operative Document; terminate the leasing of the Aircraft hereunder without limiting the generality of the foregoing Lessor shall have the right:

- (1) to require Lessee, and Lessee will, at request of Lessor, take all steps necessary to effect (if applicable) deregistration of the Aircraft and its export from the country where the Aircraft is for the time being situated and any other steps necessary to enable the Aircraft to be redelivered to Lessor in accordance with this Lease and at Lessee cost and/or expenses;
- (2) to require Lessee and Lessee will, at request of Lessor and at Lessee's cost and/or expense, take all steps necessary to ensure all rights under any warranty from any manufacturer, vendor, subcontractor or supplier with respect to the Aircraft are assigned, including the obtaining of any such party's consent to such assignment, to Lessor to the extent such warranties have not expired otherwise than through the assignment itself; and
- (3) without need of any consent, authorization or action of Lessee, and to the extent applicable, to cause the Aircraft to be deregistered and to be made ready for export and to be exported out of the any country where the Aircraft is for the time being situated In furtherance of the foregoing, Lessor shall be entitled and empowered to act in the name and in the place of Lessee as may be necessary or desirable, in Lessor's sole discretion, including with respect to the execution of documents and instruments, to effect such deregistration, derecognition, exportation, termination and extinguishment. Lessee hereby irrevocably and by way of security for its obligations under this Lease appoints Lessor as its attorney to execute and deliver any documentation and to do any act or thing required in connection with the foregoing.
- (4) In addition to any other compensation due to Lessor under the Lease and the Operative Documents (including, but not limited Section 1.5 of part II of Schedule 4), in the event of any delay by Lessee in fulfilling its obligations under this Article which directly or indirectly delays the return of the Aircraft to Lessor, Lessee will pay to Lessor the Lease due Rent Payment and after a grace period of (30) thirty days provided that Lessee stop the Aircraft operations and started Redelivery check one month before the date of Redelivery, after Lessee shall pay in addition a liquidated

damages of an amount of USD \$10,000 for each day of delay for each Aircraft until the redelivery and the signing by Lessor of the Return Acceptance Certificate in accordance with the terms of this Lease, in case that the delay in Delivery is for reasons of Force Majeure, both Parties will settle together in a good faith to arrange for limiting each party damage . The Parties agree that the above measure of damages for any delay by Lessee in the return of the Aircraft constitutes a reasonable estimate of damages. If Lessee redelivers the Aircraft in a condition that does not satisfy the Return Conditions, the Lessee shall pay to Lessor any and all amounts requested by Lessor to satisfy the Return Conditions within 10 days from the issuance of the invoice by Lessor.

13.1.3 Application of Funds

- (1) Without limiting any other provision of this Lease or of any other Operative Document, Lessor shall have the right to continue to hold any amounts received or held in respect of any Secured Obligations, and to withhold or set off against all amounts otherwise payable to Lessee hereunder or under any other Operative Document, and to use and apply in whole or in part any or all such amounts, withholdings and setoffs to and against the Secured Obligations (in whatever order and according to whatever priority Lessor may choose), and any such use, application or setoff shall be absolute, final and irrevocable.
- (2) If any sum paid or recovered in respect of the liabilities of Lessee under this Lease or any other Operative Document is less than the amount then due, Lessor may apply that sum to amounts due from Lessee under this Lease or any other Operative Document in such proportions and order and generally in such manner as Lessor may determine.
- (3) Lessor may set off any Secured Obligation against any obligation owed by Lessor (or an affiliate of Lessor) to Lessee (or an affiliate of Lessee), regardless of the place of payment or currency. If the obligations are in different currencies, Lessor may convert either obligation at the market rate of exchange available in London or, at its option, New York, for the purpose of the set-off. Amounts which would otherwise be due to Lessee from Lessor will fall due only if and when Lessee has paid all Secured Obligations, except only to the extent Lessor otherwise agrees or sets off such amounts against payments owing to it pursuant to the foregoing provisions of this clause (3).

13.1.4 Damages

In addition to Lessor's rights under this Lease, to recover from Lessee, and Lessee shall on demand indemnify Lessor for, all damages suffered, directly or indirectly, by Lessor and/or Owner in connection with such Event of Default or the exercise of Lessor's remedies with respect to such Event of Default, including but not limited to any agreed liquidated damages under this Lease, and each of the following:

- (1) All accrued and unpaid Rent—Periodic and Rent – Supplemental payable hereunder in respect of any period prior to Return of the Aircraft to Lessor in the condition and otherwise in the manner required under this Lease.
- (2) All Expenses incurred, directly or indirectly, by Lessor in connection with such Event of Default or the exercise of Lessor's remedies with respect to such Event of Default, including all reasonable costs and expenses incurred in connection with recovering possession, deregistration, exportation of the Airframe or any Engine and/or all reasonable costs and expenses in placing such Airframe or Engine in the configuration, condition and repair required by Schedule 4 and the other provisions of this Lease.
- (3) An amount equal to the aggregate Rent – Periodic for the remainder of the Lease Term (determined without reference to any right of Lessor to cancel the leasing of the Aircraft, whether or not such right is exercised), discounted monthly to present worth to the payment date specified by Lessor to Lessee ..

Lessor will use reasonable endeavors to mitigate any such amounts for which Lessee is responsible under clause (2) and (3) above, but Lessor shall not be obliged to consult with Lessee concerning any proposed course of action or to notify Lessee in advance of the taking of any particular action. Lessor shall provide a statement, with reasonable details, of any amount claimed under this Section 13.1.4.

For the avoidance of doubt and without limiting Lessor's other rights under this Section 13 or under Section 9, in connection with the occurrence of any Default, Lessor shall have the right to demand, and Lessee shall on demand pay to Lessor, damages to equal all Expenses incurred, directly or indirectly, by Lessor in connection with such Default.

13.1.5 Sale or Re-lease of Aircraft

If an Event of Default occurs, Lessor shall have the right to sell or re-lease or otherwise deal with the Aircraft at such time and in such manner and on such terms as Lessor considers appropriate in its absolute discretion, free and clear of any interest of Lessee, as if this Lease had never been entered into.

13.1.7 Discharge of International Interest

Upon the termination by Lessor hereof of the leasing of the Aircraft pursuant to this Section 13, Lessee covenants to promptly cooperate in discharging any International Interest in respect thereof for which the Lessee is listed as debtor in the International Registry.

13.2 General

Any amount referred to in any Operative Document which is payable to or retainable by Lessee thereunder shall not be paid to or retained by Lessee if a Default shall have occurred and be continuing, but instead such amount shall be held by or paid over to Lessor, as security for the Secured Obligations, to be held and applied against the Secured Obligations as and when due. At such time as there shall not be continuing any Default, such amount shall be paid to Lessee to the extent not so applied.

14. TRANSFER OF LEASE

14.1 Transfer by Lessor

14.1.1 Right to Transfer

Lessor may, without the consent of Lessee, at any time:

- (1) sell, transfer, assign absolutely or otherwise dispose of its right, title and interest in and to this Lease, any other Operative Document and the Aircraft, to any Person, including pursuant to a sale and leaseback or a novation of this Lease together with a sale of the Aircraft (any such transaction, an "**Absolute Transfer**"); or
- (2) mortgage, assign or otherwise grant an interest or transfer as security all or any portion of its right, title and interest in and to this Lease, any Operative Document and/or the Aircraft, to any Person, including pursuant to a secured loan financing (any such transaction, a "**Security Transfer**").

Lessor will promptly notify Lessee of any transfer and Lessee agrees to promptly execute and deliver in connection with any transfer such documents and assurances (including executing a consent to the assignment, transfer or a novation agreement, as applicable, and procuring the reissuance of insurance certificate(s) to reflect such transaction) and to take such further action as Lessor may reasonably request to establish or protect the rights and remedies created or intended to be created in favor of the transferees in connection with any transfer, provided that any such transfer shall comply with the conditions specified in Section 14.1.2.

14.1.2 Conditions

As conditions precedent to any Absolute Transfer or Security Transfer becoming effective:

- (1) Lessor will procure that the transferee shall have executed and delivered to Lessee a letter of quiet enjoyment in respect of Lessee's use and possession of the Aircraft which shall contain a covenant substantially in the form of Section 6.1.1.
- (2) Lessor shall have reimbursed to Lessee (or following such transfer shall promptly reimburse to Lessee) its reasonable out-of-pocket expenses actually incurred in connection with co-operating with

Lessor in relation to any such transfer referred to in this Section 14.1, provided that such expenses are substantiated to Lessor's reasonable satisfaction and provided further that no Default has occurred and is continuing.

- (3) Lessee's obligations under the Operative Documents shall not, as measured at the time of the completion of such transfer, increase as a consequence of such transfer (other than in respect of Taxes, which are addressed in Schedule 6).
- (4) In the case of an Absolute Transfer only, the obligations of Lessor under the Operative Documents which arise from and after such transfer shall have been assumed by the transferee of Lessor; thereupon, without the necessity of any further action by any Party the assigning Lessor shall be released from all of its obligations thereunder arising from and after such transfer.

Without prejudice to any rights of any Indemnified Party under any Operative Document in effect on or after the occurrence of an Absolute Transfer, after such transfer and at Lessee's cost, if any, Lessee shall comply with the terms and conditions of Section 11.3 with respect to "Lessor" and each other Indemnified Party (as determined immediately prior to such Absolute Transfer) as if the effective date of such transfer were the last day of the Lease Term.

14.2 Assignment or Transfer by Lessee

Lessee may not, without the prior written consent of Lessor, assign or transfer (including by merger or consolidation) any of its right, title or interest in, or delegate any of its material obligations under, any Operative Document, and any such assignment, transfer or delegation without the prior written consent of Lessor shall be null and void.

14.3 Successors and Assigns

Subject to the foregoing, the terms and provisions of each Operative Document shall be binding upon and inure to the benefit of Lessor and Lessee and their respective successors and permitted assigns and permitted transferees.

15. FURTHER ASSURANCES

15.1 Further Assurances

Without limiting the other obligations and liabilities of Lessee under the Operative Documents, Lessee agrees to promptly and duly execute and deliver to Lessor such further documents and assurances and take such further action as Lessor may from time to time reasonably request in order to effectively carry out the intent and purpose of the Operative Documents and to establish, perfect and protect the rights and remedies created or intended to be created in favor of Lessor thereunder and in the Aircraft or any part thereof or any permanent replacement of any Engine or Part installed in accordance with this Lease.

15.2 Lessor's Performance of Lessee's Obligations

If Lessee fails to make any payment of Rent or fails to perform or comply with any agreement, covenant or obligation contained in any Operative Document, Lessor shall have the right, but not the obligation, at its election and without waiver of any of its rights or remedies against Lessee, to perform or comply with such covenant, agreement or obligation and/or pay such amount, and the amount of such payment and any Expenses incurred by Lessor in connection with such payment or the performance of or compliance with such agreement, covenant or obligation, as the case may be, together with interest at the Past Due Rate, shall be payable by Lessee to Lessor upon demand as Rent—Supplemental. The taking of any action by Lessor pursuant to this Section 15.2 shall not constitute a waiver or release of any obligation of Lessee under any Operative Document nor a waiver of any Default which may arise out of Lessee's nonperformance of such obligation, nor an election or waiver by Lessor of any right or remedy available to Lessor under or in relation to any Operative Document.

15.3 No Implied Waivers; Rights Cumulative

- (1) No failure on the part of any Person to exercise and no delay in exercising any right, power, remedy or privilege under any Operative Document or provided by statute or at law or in equity or otherwise shall impose any liability upon such Person or shall impair, prejudice or constitute a waiver of any such right, power, remedy or privilege or be construed as a waiver of any breach or as an acquiescence thereto, nor shall any single or partial exercise of any such right, power, remedy or privilege impair, prejudice or preclude any other or further exercise thereof or the exercise of any other right, power, remedy or privilege. No acceptance of partial payment or performance shall, whether or not expressly stated, be or be deemed to be a waiver of any breach then existing or a waiver or release of full payment and performance. No notice to or demand on any Person shall in any case entitle such Person to any other or further notice or demand in other or similar circumstances or constitute a waiver of the right of any other Person to any other or further action in any circumstances without notice or demand.
- (2) Nothing contained in any Operative Document shall be construed to limit in any way any right, power, remedy or privilege of any Person under any Operative Document or now or hereafter existing at law or in equity. Each and every right, power, remedy and privilege of any Person under the Operative Documents (a) shall be in addition to and not in limitation of, or in substitution for, any other right, power, remedy or privilege under any Operative Document or at law or in equity, (b) may be exercised from time to time or simultaneously and as often and in such order as may be deemed expedient by Lessor and such Person and (c) shall be cumulative and not mutually exclusive, and the exercise of one shall not be deemed a waiver of the right to exercise any other. Lessor may decline to exercise any rights or remedies herein without incurring any liability to any Person.

16. CONFIDENTIALITY

Each of Lessee and Lessor shall keep each Operative Document (and all terms and provisions hereof and thereof) confidential and shall not disclose, or cause to be disclosed, the same (except to the extent that the same is already in the public domain other than by breach of this Section 16) to any Person, without the prior written consent of the other, except (1) to prospective and permitted transferees of Lessor or any Financing Party or to any prospective Financing Party, and their respective legal counsel, accountants, insurance brokers and other advisers, (2) in connection with any enforcement of any Operative Document, (3) to its Affiliates or prospective Affiliates or the Affiliates of any Financing Party or prospective Financing Party, (4) to the professional advisers of the foregoing or (5) as may be required by Law, provided that any and all disclosures of all or any part of such documents and/or information which are permitted by this Section 16 shall be made only to the extent necessary to meet the specific requirements or needs of the Persons to whom such disclosures are hereby permitted and the disclosing party shall inform such Persons of the confidential nature of such documents and/or information.

17. GOVERNING LAW AND JURISDICTION

17.1 Governing Law

THIS LEASE AND EACH OTHER OPERATIVE DOCUMENT, UNLESS OTHERWISE EXPRESSLY PROVIDED THEREIN, SHALL IN ALL RESPECTS, INCLUDING ALL MATTERS OF CONSTRUCTION, VALIDITY AND PERFORMANCE, BE GOVERNED BY AND CONSTRUED AND ENFORCED IN ACCORDANCE WITH THE LAWS OF ENGLAND

17.2 Jurisdiction

Lessee and Lessor each hereby irrevocably consents that any legal action or proceeding between them arising out of or relating to any Operative Document may be brought in any court with jurisdiction in London, England or in any court where either Aircraft or any of Lessee assets may be found, as the Party bringing such action or proceeding may elect, and by execution and delivery of this Lease each of Lessor and Lessee hereby irrevocably submits to and accepts with regard to any such action or proceeding, for itself and in respect of its assets, generally and unconditionally, the jurisdiction of the aforesaid courts and irrevocably agrees to be bound by any judgment rendered thereby. Nothing herein shall limit the right of Lessor from bringing any legal action or proceeding or obtaining execution of judgment against Lessee in any other appropriate jurisdiction. Lessee and Lessor further agree that a final judgment in any action or

proceeding arising out of or relating to any Operative Document shall be conclusive and may be enforced in any other jurisdiction by suit on the judgment, a certified or exemplified copy of which shall be conclusive evidence of the fact and the amount of the indebtedness or liability therein described, or in any other manner provided by applicable Law. Each of Lessee and Lessor hereby irrevocably waives, to the fullest extent permitted by applicable Law, any objection which it may now or hereafter have to the laying of venue of any suit, action or proceeding between them arising out of or relating to any Operative Document brought in any court, and hereby further irrevocably waives any claim that any such suit, action or proceeding brought in any court that has been brought in an inconvenient forum.

18. FORCE MAJEURE

Except for any financial obligations of Lessee under this Lease, "force majeure" means, in relation to either Party, any circumstances beyond the control of that Party including but not limited to adverse weather conditions, natural disasters, fires, floods, explosions, earthquakes, insurrection, riots, acts of terrorism, war, labor disputes, unnatural inability to obtain labor, material or transportation and unanticipated acts of government. If any force majeure event occurs in relation to either Party which affects the performance of its obligations under this Agreement, that Party shall promptly notify the other Party of such an event occurring, followed by confirmation in writing detailing the event and its effect, and an estimate of the length of time for which fulfillment of its obligations will be effected. Neither Party shall be deemed to be in breach of this Lease or shall otherwise be liable to the other for any delay in the performance of its obligations herein to the extent that such delay or non-performances due to any force majeure event, and the time for performance of that obligation shall be extended accordingly. Upon cessation of the force majeure event the effected Party shall promptly inform the other Party of such cessation, and as soon as reasonably practicable thereafter, resume the performance of its obligations. Incase force majeure continues for more than (30) days, either Party shall have the right to terminate this Agreement by providing a written notice of (7) days with an immediate effect.

19. INTENTIALLY LEFT BLANK20. MISCELLANEOUS

20.1 Amendments

No provision of any Operative Document may be amended, changed, waived or discharged orally, but only by an instrument in writing specifying the provision intended to be amended, changed, waived or discharged and signed by each party hereto or thereto; and no provision of any Operative Document shall be varied, contradicted or explained by any oral agreement, course of dealing or performance or other matter not specifically set forth in an agreement in writing and signed by each party hereto or thereto.

20.2 Severability

If any provision under this Lease or any Operative Document should be held invalid, illegal or unenforceable in any respect in any jurisdiction, then, to the extent permitted by Law (1) all other provisions thereof shall remain in full force and effect in such jurisdiction and (2) such invalidity, illegality or unenforceability shall not affect the validity, legality or enforceability of such provision in any other jurisdiction.

20.3 Counterparts

Any Operative Document and any amendments, waivers, consents or supplements hereto or thereto may be executed in any number of counterparts, each of which when so executed shall be deemed to be an original, and all of which counterparts, taken together, shall constitute one and the same instrument.

20.4 Chattel Paper

To the extent, if any, that this Lease constitutes chattel paper (as defined in the Uniform Commercial Code in effect from time to time in any applicable jurisdiction) no security interest in this Lease may be created through the transfer or possession of any counterpart other than as provided on the cover page of this Lease.

20.5 Time of the Essence

Subject only to the periods of grace referred to in Section 12, time shall be of the essence as regards the performance by each of Lessee and Lessor of its respective obligations under each Operative Document.

20.6 Notices

All notices, requests and other communications to Lessee or Lessor under any Operative Document shall be in writing (for this purpose, "writing" includes fax), shall refer specifically to such Operative Document and shall be personally delivered or sent by fax or email, or sent by overnight courier service (e.g., Federal Express), in each case to the respective address specified in Schedule 5 hereto or such other address as such Person may hereafter specify by notice to the other parties hereto. Each such notice, request or other communication shall be effective when received or, if by fax, when "confirmed" by the sending fax machine, provided that any such notice by fax or email so "confirmed" after 6:00 p.m., for the recipient, shall be effective on the next succeeding local Business Day.

20.7 Language

All notices to be given under each Operative Document shall be in English. All documents delivered to Lessor pursuant to each Operative Document will be in English, or if not in English, will be accompanied by a certified English translation. The language of each Operative Document, and the language of its interpretation, is English. If there is any inconsistency between the English version of any Operative Document and any version in any other language, whether or not such other version is executed by Lessor or Lessee, the English version will prevail for all purposes.

20.8 Entire Agreement

This Lease together with its Annexes/schedules and the other Operative Documents constitute the entire agreement between the parties concerning the subject matter hereof, and supersede all previous proposals, understandings, negotiations and other written and oral communications in relation thereto. The parties acknowledge that there have been no representations, warranties, promises, guarantees or agreements, express or implied, except as set forth herein or in the other Operative Documents.

20.9 Conditions Precedent

The Lessor's obligation to lease the Aircraft to Lessee throughout the Lease Term is conditional upon the Lessee obtaining all the necessary permissions, approvals and consents and such permissions, approvals and consents continue to be in full force and effect from the relevant government authorities or any other authority including but not limited to:

(a) The Lessee paying the Security Deposit in full, and the first Rent Period

(b) Obtaining and providing Lessor at its request any and all required approvals licences and permits of the appropriate governmental authorities including but not limited to a valid AOC and any related Civil Aviation Authorities permits as applicable.

(c) All required Insurance coverage for the entire Lease Term satisfactory Lessor.

(d) The Lessor shall have received the Deposit specified in this Lease, and the first Lease Rent installment on the due dates.

(e) Providing Lessor with all final Ground Handling Agreements and any other service provider agreements at the operating base as well as at scheduled destinations covering the services to be provided to the Aircraft throughout the Lease Term.

(f) The Lessor's Board Approval

(g) The Lessor obtaining from Lessee before the delivery of the Aircraft a certified, legalized and notarized Irrevocable Deregistration Power of Attorney and an export authorization on behalf of the Lessee covering the Lease Term to act before any governmental and non-governmental entity to deregister the Aircraft at issue a flying permission at any time in case of failure by Lessee to fulfill any of its obligations under this

Lease without need to recourse to Lessee and to act before any governmental and non-governmental entity to ensure that the Lessee fulfills all its obligations regularly to any service provider throughout the Lease Term.

(h) Lessee providing Lessor with a legal opinion satisfactory to Lessor covering the enforcement of Lessor's rights under this Agreement and the applicability of English Law and English Courts in Bangladesh.

(i) Lessee providing a notarized legalized power of attorney to its representative to sign the Agreement before the ECAA

Failure of Lessee to fulfill any of the Conditions Precedent herein in this Lease, or failing to maintain such throughout the Lease Term does not waive Lessor's rights for compensation in addition to any other actions deemed to remedy such failure.

20.10 Relationship of the Parties

Nothing in this Lease or the other Operative Documents shall create (or be deemed or construed to create) a partnership, joint venture, agency, fiduciary relationship, and/or any other affiliation, relationship or association between the parties hereto of any kind other than the relationship of lessor and lessee as explicitly and specifically stated in this Lease and the other Operative Documents. The relationship between the Lessor and the Lessee is limited to that of lessor and lessee as set forth in this Lease and the other Operative Documents. Nothing contained in this Lease or any other Operative Documents shall permit or obligate (or be construed as permitting or obligating) the Lessor to act as a financial or business advisor or consultant to the Lessee and/or to control the Lessee or conduct the Lessee's operations. Each Party acknowledges that it is experienced with respect to the subject matter of this Lease and the other Operative Documents and has made its own independent decisions regarding such subject matter. Each party further acknowledges that it has had the opportunity to obtain the advice of experienced and sophisticated counsel of its own choosing in connection with the negotiation and execution of this Lease and the other Operative Documents and to obtain the advice of such counsel with respect to all matters contained herein and therein.

20.11 Rights of Third Parties

- (1) Each Indemnified Party, Tax Indemnitee and Insured Party may rely on and enforce the rights expressed to be conferred on it under this Lease together with any ancillary rights against the Lessee.
- (2) The consent of any Indemnified Party, Tax Indemnitee or Insured Party, as the case may be (in each case, other than the Lessor), is not necessary for any variation (including any release or compromise in whole or in part of any liability) or termination of this Lease, or any provision of any thereof or provisions ancillary thereto.
- (3) Except as expressly stated herein, the terms of this Lease may be enforced only by a party to it or a party's successors and permitted transferees and assigns.
- (4) A person who is not a party to this Lease shall have no right under this Lease to enforce any term or condition, or exercise any of the Parties' incorporated in this Lease.

20.12 Survival

Articles 9, 13, 16 and 17 will survive the termination of this Lease.
IN WITNESS WHEREOF, Lessee and Lessor have caused this Lease to be executed by their respective officers on the day and year first above written.

EGYPTAIR HOLDING COMPANY

By:

Name: Hassan Mohamed Hassan
Title: VP Planning Egyptair Holding company

Biman Bangladesh Airlines Limited

By:

Name :
Kevin John Steele
Managing Director & CEO
Biman Bangladesh Airlines Ltd.



Witness *[Signature]*
Azra Nasreen Rahman

Witness *[Signature]*
Azra Nasreen Rahman

Azra Nasreen Rahman
Manager
Legal Affairs
Biman, Dhaka

Schedules & Exhibits

Schedule 1- Definitions:

- Part 1- Defined Terms
- Part 2 – Construction

Schedule 2 - Operational Matters

Schedule 3- Delivery Conditions and Delivery Procedures:

- Part 1- Delivery Conditions
- Part 2- Delivery Procedures
- Annex 1 Summary Specification

Schedule 4- Re-Delivery Conditions and Re-Delivery Procedures:

Schedule 5-Notice and account information

Schedule 6-Support/Services/Training

Schedule 7- Lessor's conditions precedent

Schedule 8- Lessee's conditions precedent

Exhibit A-1Form of Acceptance Certificate

Exhibit A-2 Form of Return Acceptance Certificate

Exhibit B- Form of Certificate of Insurance

Exhibit C- Form of Insurance Broker's Letter

Exhibit D- Form of Aircraft Status Report

Exhibit E- Confidential Economic Terms

Exhibit F- Documents

Exhibit G- Supplemental Rent – Hours/Cycle Adjustment

Exhibit H- Catering Equipments

Exhibit I- Legal Documents

SCHEDULE 1

DEFINITIONS

PART I

Defined Terms

The following terms shall have the following meanings:

“Acceptance Certificate” means the Acceptance Certificate, signed by Lessee and confirmed by Lessor, substantially in the form of Exhibit A-1.

“AD” means any airworthiness directive of the FAA/EASA/ECAA/CAAB as applicable to the Airframe, either Engine or any Part and any modification thereto or the Aircraft Documentation.

“Affiliate” means, in relation to a Person, any other Person directly or indirectly controlling, controlled by or under common control with that Person.

“Agreed Maintenance Performer” means Egypt Air Maintenance and Engineering Company, or such EASA/FAA approved maintenance performer having a valid repair station license for the relevant work as shall be accepted in writing in advance by the Lessor.

“Aircraft” means, collectively, the Airframe and the Engines and, unless the context does not permit, the Aircraft Documentation.

“Aircraft Documentation” means the documentation described in Section 1.4 of Schedule 2 to the Lease Agreement.

“Aircraft Status Report” means a report substantially in the form of Exhibit D.

“Airframe” means, collectively, (1) the Airframe Manufacturer Model B777-200ER (excluding the Engines or engines from time to time installed thereon), bearing manufacturer’s serial number MSN 32630 and MSN 32629; and (2) any and all Parts so long as the same shall be incorporated or installed in or attached to such airframe, and any and all Parts removed therefrom so long as title to such removed Parts shall remain vested in Owner in accordance with the terms of Section 1.2 of Schedule 2 to the Lease Agreement.

“Airframe C Check” means a maintenance visit accomplished every 7500 flight hours or 750 days or 1400 flight cycle whichever occurs first and categorized as a C Check, as detailed in the MPD for Model 777-200ER aircraft.

“Airframe Heavy Check” means a heavy maintenance visit normally categorized as an 30,000 flight hour / 2250 days or 5600 FC and its multiple whichever occurs first , as defined in the MPD for Model – 777-200ER aircraft, including all CPCP checks, all lower level checks, typical component overhauls, and all repairs and overhauls and inspections scheduled at the previous intervals.

“Airframe Flight Cycle” means one takeoff and landing of the Airframe, provided that for purposes of determining cycles of utilization of a Part (e.g., the Landing Gear), the relevant “Airframe” for purposes of the preceding clause shall be the airframe or airframes on which such Part has been used.

“Airframe Flight Hour” means each hour or part thereof elapsing from the moment the wheels of the Airframe leave the ground on takeoff until the wheels of the Airframe touch the ground on landing following such flight, provided that for purposes of determining hours of utilization of a Part (e.g., the Landing Gear), the relevant “Airframe” for purposes of the preceding clause shall be the airframe or airframes on which such Part has been used.

“Airframe Manufacturer” means The BOEING Company.

“Airworthiness Certificate” means a valid, current passenger transport category airworthiness certificate issued in respect of the Aircraft by the local authority.

“APU” means (1) the auxiliary power unit identified by manufacturer’s serial number in the Acceptance Certificate and (2) any auxiliary power unit substituted for such auxiliary power unit in accordance with the Lease Agreement.

“APU Basic Shop Visit” means, with respect to the APU, the full restoration of the core (Compressor and Power Section) in accordance with the APU manufacturer’s recommendations.

“APU Hour” means each hour or part thereof from the moment the APU is started until the APU is turned off.

“Authorizations” means each and every approval, waiver, authorization, consent, license, certificate or order of, or registration with, or requirement for the giving of prior notice to, or the taking of any action in respect of, the CAAB or any other Government Entity in the Lessee Jurisdiction or any other Government Entity having jurisdiction over Lessee, the operation of the Aircraft or any action or transaction contemplated by any Operative Document.

“Business Day” means a day (other than Friday, Saturday) on which banks are open for business in Egypt and in Bangladesh.

“CAAB” means Civil Aviation Authority of Bangladesh and any person, governmental department, bureau, commission or agency succeeding to all or any of its functions.

“Damage Notice Threshold” has the meaning set forth in Exhibit E.

“Default” means any Event of Default breach of the Lessee of any of its obligations or covenants under this Lease condition, circumstance, act or event which, upon the giving of notice, the lapse of time and/or the fulfillment of any other condition would constitute or give rise to an Event of Default.

“Delivery Condition” means the condition of the Aircraft as described in Schedule 3 of the Lease Agreement.

“Delivery Date” means the date, local time at the Delivery Location, on which the Aircraft is delivered by Lessor to Lessee in accordance with the Lease.

“Delivery Documentation” means, collectively, any and all log books, records, manuals and other data or documents delivered with the Aircraft.

“Delivery Location” means Cairo, Egypt.

“EASA” means the European Aviation Safety Agency or any other organization or authority that, under the laws of the European Union, shall from time to time have jurisdiction over, amongst other things, aircraft airworthiness and safety standards for the European Union and references to “EASA” shall, where the context so allows, include a reference to the JAA.

“ECAA” means the Egyptian Civil Aviation Authority and any person, governmental department, bureau, commission or agency succeeding to all or any of its functions.

“Engine” means (1)(a) each of the Engine Manufacturer Model PW4090 engines listed by Engine Manufacturer’s serial numbers in the Acceptance Certificate and originally installed on the Airframe at the time of delivery to Lessee hereunder whether or not from time to time thereafter installed on the Airframe or installed on any other airframe and (b) any Replacement Engine or Spare Engine which may from time to time be substituted, pursuant to the terms hereof, for either of such Engines, and (2) in each case, any and all Parts incorporated or installed in or attached thereto or any and all Parts removed therefrom so long as title thereto shall remain vested in Lessor in accordance with the terms of Section 1.2 of Schedule 2 to the Lease Agreement after removal from such Engine, provided that at such time as an engine shall be deemed part of the property leased hereunder in substitution for an “Engine,” pursuant to the applicable provisions hereof, the replaced Engine shall cease to be an “Engine” hereunder. The term “Engines” means, as of any date of determination, all Engines then leased hereunder.

“Engine Refurbishment” means, with respect to any Engine, the complete detailed inspection and repair as necessary in accordance with the shop manual of the combustion section of such Engine in an engine repair/overhaul station, including, complete unstacking of the high pressure turbine and low pressure turbine (including both high and low compressors, as necessarily guided by the Workscope Planning Guide threshold requirements); complete detailed inspection, de-blading of discs as required; detailed inspections of all discs; verification that all snap diameters on discs are within limits; detailed inspection of all blades for proper chord dimensions and cracking; repair or replacement of all blades below minimums; inspection and repair of stators as necessary; blade-up of discs using new lock plates; assembly of rotors in the turbine; balance of all rotors; and installation of rotors in the Engine.

“Engine Flight Cycle” means, with respect to any Engine, one takeoff and landing of the airframe (including the Airframe) on which such Engine is then installed, provided that for purposes of determining cycles of utilization of a Part, the relevant “Engine” for purposes of the preceding clause shall be the engine on which such Part has been used.

“Engine Flight Hour” means each hour or part thereof (rounded to the nearest one-tenth of an hour) elapsing from the moment the wheels of the airframe (including the Airframe) on which such Engine is then installed leave the ground on takeoff until the wheels of such airframe touch the ground on landing following such flight, provided that for purposes of determining hours of utilization of a Part, the relevant “Engine” for purposes of the preceding clause shall be the engine on which such Part has been used.

“Engine Manufacturer” means P&W

"Event of Loss" as stipulated in the relevant insurance policy, with respect to the Aircraft, the Airframe or any Engine, any of the following events, conditions or circumstances with respect to such property:

(1) Retention of possession of the Aircraft by Lessee for more than 60 days beyond the last day of the Lease Term without the express written consent or instructions of Lessor.

(2) The destruction of or damage of such property which renders (a) repair of such property uneconomical or (b) such property permanently unfit for normal use by Lessee or Lessor.

(3) Any loss of or damage to such property or other occurrence which the insurers determine or agree to be a total loss.

(4) The confiscation, condemnation, seizure, forfeiture, requisition or similar taking of the title to such property (for any reason whatsoever and whether de jure or de facto).

(5) The confiscation, condemnation, seizure, requisition or similar taking by any Government Entity or purported Government Entity (other than a requisition for use or hire by the government of the State of Registration) of use or hire of such property which shall have resulted in the loss of possession or use of such property by Lessee for a period that continues until the earlier of (a) the date that is 30 days following the commencement of such loss of possession or use (or, if earlier, the last day of the Lease Term) and (b) the date upon which the Aircraft is modified in such a manner as would render conversion of such property for use in normal commercial passenger service impractical or uneconomical.

(6) The requisition for use or hire by government of the State of Registration which shall have resulted in the loss of possession or use of such property by Lessee for a period that continues until the earlier of (a) the date that is 180 days following the commencement of such loss of possession or use (or, if less, the remaining Lease Term) and (b) the date upon which the Aircraft is modified in such a manner as would render conversion of such property for use in normal commercial passenger service impractical or uneconomical.

(7) The disappearance, hijacking or theft (including a confiscation, condemnation, seizure, forfeiture, requisition or similar taking of title or use not otherwise included in this definition) of such property which shall have resulted in the loss of possession or use of such property by Lessee for a period that continues until the earlier of (a) the date that is 60 days following the commencement of such loss of possession or use (or, if less, the remaining Lease Term) and (b) the date upon which the Aircraft is modified in such a manner as would render conversion of such property for use in normal commercial passenger service impractical or uneconomical.

An Event of Loss with respect to the Aircraft shall be deemed to have occurred if an Event of Loss occurs with respect to the Airframe. An Event of Loss with respect to one or more Engines without loss of the Airframe shall not be deemed an Event of Loss with respect to the Aircraft.

"Expense" means any and all costs, expenses (including any and all reasonable legal fees and expenses and the fees and expenses of other professional advisers and investigators), claims, losses, liabilities, obligations, damages (whether special, incidental or consequential), judgments, fees, penalties or fines (whether criminal or civil) of any kind or nature whatsoever, whether direct or indirect and including any of the foregoing arising or imposed with or without any Indemnified Party's or Tax Indemnitee's fault or negligence, whether passive or active or under the doctrine of strict liability.

"FAA" means the US Federal Aviation Administration and any person, governmental department, bureau, commission or agency succeeding to all or any of its functions.

"Final Inspection" means the inspection of the Aircraft by Lessor, and any other Inspecting Parties (as observers only) delegated by the Lessor during any part of the inspections, checks, and demonstration flights required pursuant to Schedule 4 to the Lease Agreement or otherwise performed in connection with the Return.

"Government Entity" means (1) any national, state or local government of any country or any international authority (including in each case, any central bank or fiscal, tax or monetary authority), (2) any board, commission, department, division, instrumentality, court, agency, territory, possession or political subdivision of any entity described in clause (1) above, however constituted; (3) any association, organization or institution of which any entity described in clause (1) or (2) above or any state is a member or to whose jurisdiction any thereof is subject or in whose activities any thereof is a participant; and (4) any taxing authority of any entity described in any of clauses (1), (2) or (3) above.

"Indemnified Party" means Lessor and any of its subsidiaries, and the successors and permitted transferees and assigns of each of the foregoing, and the directors, officers, corporate stockholders, partners, employees, contractors, servants and agents of each of the foregoing.

"Inspecting Party" is defined in Section 1.3.1 of Part II of Schedule 4 to the Lease Agreement.

"Insurances" means insurances in respect of the Aircraft and includes, without limitation, any insurances and reinsurances required by Section 11 of the Lease Agreement.

"Insured Party" means each Indemnified Party.

"Landing Gear" means (1) the landing gear assemblies (LM, RM and nose) of the Aircraft identified by the respective serial numbers in the Acceptance Certificate and (2) any landing gear assembly substituted for any such identified landing gear assembly in accordance with the Lease Agreement.

"Landing Gear Overhaul" means any full overhaul of the Landing Gear assembly, including the parts as specified by the Airframe Manufacturer, to essentially full manufacturer specification and operating condition.

"Lease Commencement Date" means 15th of March 2014 for 1st Aircraft, one month after for 2nd Aircraft.

"Lease Term Expiry Date" means the date established for termination or expiration of the Lease.

"Lessee Jurisdiction" means Bangladesh.

"Lessee's Maintenance Program" means Lessee's CAAB APPROVED written block maintenance, inspection and repair program and schedule for Airframe Manufacturer B777-200ER aircraft, as described in the approved MP, and as designed in accordance with the airframe, engine and parts manufacturer's respective planning documents and recommendations, as in effect on the Delivery Date and thereafter as amended with the consent of the Lessor.

"Lessor's Maintenance Program" means Lessor ECAA approved maintenance program.

"Lessor Lien" means any Lien in respect of the Aircraft which results from acts or omissions of Lessor "Lien" means any mortgage, pledge, lien, charge, encumbrance, hypothecation, lease, sublease, seizure, right of detention, exercise of rights, security interest, judgment, writ, order or other claim or right of possession of any kind or nature whatsoever, however and wherever created or arising and whether or not consensual (including any agreement or arrangement to give or effect any of the foregoing and any conditional sale or other title retention agreement) on the Aircraft or any part thereof.

"Maintenance Event" shall mean Heavy Maintenance Check

"Major Modification" means any Modification or other alteration not listed in the aircraft, aircraft engine, or propeller specifications:

- (1) That might appreciably affect weight, balance, structural strength, performance, power plant operation, flight characteristics, or other qualities affecting airworthiness; or
- (2) That is not done according to accepted approved Aircraft maintenance documents or cannot be done by elementary operations, including but not limited to any alteration that requires the issuance of a supplemental type certificate.

"Material Adverse Effect" means (1) as of any date, a material adverse change between the date hereof and such date, in the business, assets, financial condition or prospects of Lessee or Lessor, as applicable, or (2) the occurrence of any event or the existence of any circumstance that has or will have a material adverse effect on (a) the ability of Lessee, as applicable, to carry on its business or it seems that the Lessee will be facing difficulties to perform its any of its upcoming obligations under any Operative Document to which it is or will be a party or (b) the rights or interests of Lessor, in the Aircraft or under any Operative Document to which it is or will be a party.

"MPD" means the Airframe Manufacturer's maintenance planning document for 777-200ER aircraft.

"Operational charges" means all flight of whatever kind or nature including without limitation, route navigation charges, navigation service charges and all other fees, charges or Taxes payable for the use of or for services provided at any airport or otherwise payable to any airport, airport authority, navigation or flight authority or other similar entity or for any services of whatever kind or nature including without limitation provided in connection with the operation, landing or navigation of Aircraft.

"Operative Documents" means the Lease Agreement, the Acceptance Certificate, the Letter of Guarantee, the documents delivered in connection therewith, any other document to which Lessee is a party relating this Lease and any other document which Lessor and Lessee agree in writing is an "Operative Document".

"Parts" means any and all appliances, parts, components, modules, navigation, avionics and communications equipment, computers, instruments, appurtenances, accessories, furnishings and other equipment of whatever nature (including the APU and the Landing Gear but excluding complete Engines or engines) which may from time to time be incorporated or installed in or attached to the Airframe or any Engine, so long as title thereto shall remain vested in Lessor, in accordance with the terms of Section 1.2 of Schedule 2 to the Lease Agreement, and any loose equipment identified in the Acceptance Certificate.

“Past Due Rate” means a rate equal to a fluctuating rate per annum equal to 300 basis points above the prime rate of JPMorgan Chase Bank, N.A. in effect from time to time (as determined by Lessor), provided that such rate as determined from time to time shall not in any event be higher than the highest rate per annum permitted from time to time under any applicable Law.

“Permitted Jurisdiction” means any country in which the operation of the Aircraft is not prohibited by the laws of the United States or Lessor Jurisdiction or by the Lease Agreement or any other Operative Document.

“Permitted Lien” means any Lien referred to in Section 6.2.3 of the Lease Agreement.

“Person” means any individual, corporation, trust, partnership, unincorporated association, joint venture, association, joint-stock company, government or Government Entity.

“Rent” means, collectively, Rent-Periodic and Rent-Supplemental.

“Rent Payment Date” means (1) Initial Rent Payment Date, and (2) thereafter, the day which corresponds to the Initial Rent Payment Date in each calendar month during the Lease Term after the month in which the Initial Rent Payment Date occurs (or if there is no such corresponding day in any such month, the last day of such month).

“Rent-Periodic” means the rent payable in respect of the Lease Term with respect to the Aircraft pursuant to Section 3.1 of the Lease Agreement.

“Rent-Periodic Amount” is defined in Exhibit E to the Lease Agreement.

“Rent-Supplemental” means all amounts, liabilities and obligations (other than Rent-Periodic) which Lessee assumes or otherwise becomes liable to pay to Lessor, any Indemnified Party or Tax Indemnitee or any other Person under any of the Operative Documents, including payments of or in respect of reserves, Stipulated Loss Value, Expenses, Taxes, interest accrued pursuant to Section 3.2 of the Lease Agreement or other amounts payable under any indemnities.

“Replacement Engine” means an Engine Manufacturer Model PW4090 engine or an improved model having a modification status, value, thrust rating and utility at least equal to such engine, including all warranty rights with respect to any such engine, which (1) is suitable for installation and use on the Airframe without impairing the value or utility of the Aircraft and (2) has a modified status, value, condition and utility (in each case, taking into account the age of the Engine to be replaced, and the accumulated Engine Flight Hours and Engine Flight Cycles since new) no greater than the Engine it is replacing (assuming such Engine was at least in the modified status, condition and repair required by the terms hereof immediately prior to being replaced).

“Required Actions” is defined in Section 1.3.1 of Schedule 2 to the Lease Agreement.

“Return Acceptance Certificate” means the acceptance certificate to be delivered by Lessor to Lessee pursuant to Section 1.4 of Part II to Schedule 4 to the Lease Agreement, substantially in the form of Exhibit A-2.

“Return Condition” means the condition of the Aircraft as described in Schedule 4 of the Lease Agreement.

“Return Location” means an airport in Egypt specified by Lessor, or as otherwise agreed to by the parties.

“SB” means any service bulletin as, where not expressly specified in any Operative Document, issued by Airframe Manufacturer, Engine Manufacturer or the manufacturer of any Part.

“Secured Obligations” means Lessee’s (or any Affiliate of Lessee’s) obligations under the Lease and each other Operative Document and under each other Lease and each other document designated as an operative document (howsoever denominated) under each such other Lease.

“Security Deposit” means those amounts described in Section 3.4 of the Lease.

“State of Registration” means Bangladesh.

“Stipulated Deductible Amount” has the meaning set forth in Exhibit E

“Stipulated Liability Coverage” has the meaning set forth in Exhibit E.

“Stipulated Loss Value” has the meaning set forth in Exhibit E.

“Subsidiary” means, in relation to a Person, any other Person directly or indirectly controlling, controlled by or under common control with that Person.

"Supplemental Rent Payment Date" five (5) Business days from the Lease Commencement Date for the first month and thereafter by the fifteenth (15th) day of each Lease month during the Lease Term.

"Supplemental" means the following amounts

"Supplemental Amount – APU" is defined in Exhibit E to the Lease Agreement.

"Supplemental Amount – Airframe Heavy Check" is defined in Exhibit E to the Lease Agreement

"Supplemental Amount – Engine L.P" is defined in Exhibit E to the Lease Agreement.

"Supplemental Amount – Engine " is defined in Exhibit E to the Lease Agreement.

"Supplemental Amount – Landing Gear" is defined in Exhibit E to the Lease Agreement.

"Supplemental Amount – Thrust Reverser" is defined in Exhibit E to the Lease Agreement

"Supplemental Rent"- means the amounts stated in Section 3.2 of the Lease Agreement

"Taxes" includes any and all fees (including license, documentation and registration fees), taxes (including income, gross receipts, sales, rental, use, turnover, value-added, goods and services, property (tangible or intangible), excise, franchise, capital, user, transfer, doing business and stamp taxes or duties), licenses, levies, imposts, duties, recording charges or fees, or other assessments, deductions or withholdings of any nature whatsoever, together with any assessments, penalties, late charges, interest on any of the foregoing.

"Tax Indemnitee" means Lessor and any of its successor, transferee or assign of any of the foregoing and any Person that is a member of a group that files a consolidated or combined tax return that includes Lessor.

"United States" and "US" mean the United States of America.

PART II

Construction

1. In each Operative Document, unless expressly provided otherwise therein, a reference to:
 - (a) Each of "Lessor" or "Lessee" or any other Person includes, without prejudice to the provisions of such Operative Document, any successor in title to it and any permitted assignee or transferee and, in the case of any Government Entity, any Government Entity succeeding to all or any of its functions.
 - (b) The word "including" shall be construed as "including, without limitation."
 - (c) Words importing the plural include the singular and vice versa.
 - (d) Any document includes that document as amended, from time to time in accordance with its terms, and any document entered into in substitution or replacement therefore.
 - (e) The words "this Agreement," "this Lease Agreement," "hereby," "herein," "hereto," "hereof" and "hereunder" and words of similar import when used in such Operative Document refer to such Operative Document as a whole including the Schedules and Exhibits, and all Annexes, Attachments and Supplements thereto, and not to any particular provisions of such Operative Document.
 - (f) A Section or an Exhibit or a Schedule or an Annex is a reference to a section of, or an exhibit or a schedule or an annex to, such Operative Document.
 - (g) An amendment includes a supplement, novation or re-enactment and "amended" is to be construed accordingly.
 - (h) A "Law" (1) includes any statute, decree, constitution, any kind of regulation, order and circular order, judgment or directive of any Government Entity; (2) includes any treaty, pact, compact or other agreement to which any Government Entity is a signatory or party; (3) includes any judicial or administrative or fiscal interpretation or official statement or application thereof and (4) is a reference to that provision as amended.
 - (i) A "month" is a reference to a period starting on one day in a calendar month and ending on the numerically corresponding day in the next calendar month except that if there is no numerically corresponding day in the calendar month in which that period ends, that period shall end on the last Business Day in that calendar month.
 - (j) A "Lease month" 30 days calculated from the Lease Commencement Date and each same period thereafter.
 - (k) A "quarter" is a reference to a period starting on one day in a calendar month and ending on the numerically corresponding day in the third succeeding calendar month except that if there is no numerically corresponding day in the calendar month in which that period ends, that period shall end on the last Business Day in that calendar month.
2. Headings used in each Operative Document are for convenience only and shall not in any way affect the construction of, or be taken into consideration in interpreting, such Operative Document.

SCHEDULE 2

OPERATIONAL MATTERS

1. OPERATION AND MAINTENANCE;

- 1.1 As between Lessor and Lessee and except as expressly provided herein, during the Lease Term Lessee shall be responsible for the operation, maintenance, servicing, repair, inspection, modification, replacement of parts and testing of the Aircraft and shall bear all costs and expenses of whatever kind or nature in connection therewith. The Lessee shall, during the term of the Lease continue to maintain the Aircraft under Biman CAAB-approved maintenance program which includes all maintenance activities, Continuous Airworthiness Management and incompliance with Lessor maintenance program.
- 1.2 **Operation**
- (1) Lessee shall not operate the Aircraft (or permit the operation of the Aircraft) in violation of any Law of any Government Entity having jurisdiction over Lessee or the Aircraft, in violation of the Lessor's or Lessee Maintenance Program, any manufacturer's operating manuals, recommendations or instructions, in violation of any airworthiness certificate, license or registration relating to the Aircraft issued by any such Government Entity. In addition, Lessee shall not operate the Aircraft (or permit the operation of the Aircraft) in violation of any export applicable Laws howsoever denominated.
 - (2) Lessee shall not operate or locate the Aircraft or permit the Aircraft to be operated or located (1) outside of the Permitted Jurisdictions, (2) in any area excluded from coverage by, or in any manner or for any purpose excepted from coverage under, any insurance policy in effect or required by the terms of the Lease Agreement or (3) in any war zone or in any recognized or threatened area of hostilities unless covered to the satisfaction of Lessor by appropriate insurance (including war-risk and allied perils).
 - (3) Lessee shall not use, or permit the use of, the Aircraft for testing or for training, qualifying or reconfirming the status of flight crew members other than employees of Lessee, and then only if the use of the Aircraft for such purpose is not disproportionate to the use for such purpose of other Airframe Manufacturer Model B777-200ER aircraft owned or operated by Lessee.
 - (4) Lessee shall ensure that the crew and engineers employed by it in connection with the operation and maintenance of the Aircraft have the qualifications and hold the licenses required by the CAAB and applicable Laws.
 - (5) Lessee shall use the Aircraft solely in commercial or other operations for which Lessee is duly authorized by the CAAB and applicable Laws.
 - (6) Lessee shall not use the Aircraft for the carriage of:
 - (a) whole animals living or dead (other than living humans) except in the cargo compartments according to I.A.T.A. regulations, and except domestic pet animals carried in a suitable container to prevent the escape of any liquid and to ensure the welfare of the animal;
 - (b) acids, toxic chemicals, other corrosive materials, explosives, nuclear fuels, nuclear wastes, or any nuclear assemblies or components, except as permitted for passenger aircraft under the "Restriction of Goods" schedule issued by I.A.T.A. from time to time and provided that all the requirements for packaging or otherwise contained therein are fulfilled;
 - (c) any other goods, materials or items of cargo which could reasonably be expected to cause damage to the Aircraft and which would not be adequately covered by the Insurances; or
 - (d) any illegal item or substance.
 - (7) Provided that no Default shall have occurred and be continuing, Lessee may install, and allow to remain installed, an Engine Manufacturer PW4090 engine on the Airframe other than an Engine so long as such engine is airworthy and otherwise complies with the requirements of the FAA, EASA, ECAA, CAAB and all Laws applicable to Lessee.

1.3 Identification Plates,

On the Delivery Date, Lessor shall affix, and thereafter Lessee shall at all times maintain in respect of the Airframe and each Engine a fireproof and legible identification plate of a reasonable size, in the location specified below, that contains the following legends or any other legend requested from time to time by Lessor in writing:

- (1) In the case of the Airframe, in the upper sill of the left-hand forward entry door, adjacent to Airframe Manufacturer's plate, "THIS AIRCRAFT IS OWNED BY EGYPTAIR HOLDING COMPANY, AND IS HELD UNDER LEASE BY BIMAN BANGLADESH AIRLINES.
- (2) In the case of each Engine, in a clearly visible place in close proximity to the manufacturer's plate, "THIS ENGINE IS OWNED BY EGYPTAIR HOLDING COMPANY, AND IS HELD UNDER LEASE BY Biman BANGLADESH AIRLINES.

1.4 Inspection

At all reasonable times, Lessor's personnel and/or its authorized representatives may (at Lessor's expense or, if such inspection is made in connection with or following a Default, at Lessee's cost and expense) inspect the Airframe and Engines and inspect and make copies of the Aircraft Documentation and Lessee's Maintenance Program, and if such inspection is made at the time of any maintenance operation, such Persons may inspect behind any panels, bays or other apertures that have already been opened in the course of such maintenance operation, provided that, so long as no Event of Default shall have occurred and be continuing, Lessor shall not have a duty to make any such inspection nor shall it incur any liability or obligation by reason of making or not making any such inspection. Lessee shall take such action as may reasonably be required by Lessor to facilitate Lessor's inspection, including without limitation facilitating access to any premises where the Aircraft is located.

1.5 Intellectual Property Rights

The copyright and all intellectual property rights including but not limited to software, manuals, databases and the data on the Aircraft or in connection with this Lease, functional specifications and all other specifications and documentation relating to the Aircraft shall be and shall remain vested solely in Lessor. Neither Lessee nor any third party shall have any rights or interests in such software, manuals, databases, data and specifications.

In case Lessee or any of its employees and/or assignees breaches this Sub-section 1.5, this shall constitute an Event of Default entitling the Lessor immediate remedy, notwithstanding full indemnity for Lessor or any third party provided by Lessee.

1.6 Brand Name, Logo

Lessee hereby undertakes not to use the Lessor's corporate name, trademark or logo for any reason whatsoever.

2. MAINTENANCE RESERVES

2.1 Maintenance Reserves and Adjustments

2.1.1 Amounts

Lessee shall pay to Lessor the Rent – Supplemental as specified in Article (3.2) of the Lease.

2.1.2 Hour-to-Cycle Ratio

The Dollar amount referred to in Section 2.1.1 of this Schedule 2 is based upon an assumed hour-to-cycle ratio for the Engines equal to [-4/1----. If the actual ratio is less than [-4/1--] the Reserve Amount Engine LLP will increase pro rata.

2.2 Reimbursement

Lessor shall, subject to the other provisions of this Section 2 and provided that no Default has occurred and is then continuing, reimburse Lessee for the lessor's share of the invoiced costs incurred by Lessee during, and at the time of completion of, the following maintenance during the Lease Term:

- (1) Any Airframe Heavy Check, excluding APU and Landing Gear and excluding components (unless such components are scheduled to be overhauled at that check in accordance with the MPD and their lives are fully restored)
- (2) An Engine Refurbishment.

- (3) The replacement of any Engine life-limited part, provided that (a) the reimbursement for any such part shall be reduced by an amount equal to the product of (i) the Dollar amount listed in Annex 1 of this Schedule 2, as adjusted by this Section 2 (for cycles ratio changes) and (ii) the percentage for such part contained in Annex 1 to this Schedule 2 and (iii) (A) the expected cycles-life of such removed Engine life-limited Part less (B) the total cycles then accumulated on such removed Engine life-limited Part and (b) such reimbursement shall be for the cost of the part only and not the installation.
- (4) An APU Basic Shop Visit.
- (5) A Landing Gear Overhaul.

excluding, in each case, any maintenance, overhaul, renewal, replacement or repair cost which is reimbursed out of any insurance claim.

All invoices subject to reimbursement from lessor will be reduced (by adjustment between lessee and lessor retroactively in necessary) by actual amounts received by lessee on account of such work from responsible third parties or other sources, such as manufacturer's warranties, guarantees, concessions and credit (including, with respect to engines, credit due to life remaining on any removed engine parts)

2.3 Account Balances

Lessor shall keep a notional running account in respect of the Airframe, each Engine (with performance restoration and life-limited Parts subaccounts (with the life-limited Part subaccount for each Engine to be maintained using a further subaccount for each part using the Dollar percentage allocation contained in Annex 1 to this Schedule 2, the Landing Gear (with a subaccount for each gear allocated 33.4% to the nose Landing Gear and 33.3% to each of the main Landing Gear) and the APU to which shall be credited all amounts in respect thereof received under the above Section 2.1 hereof, and debited all sums paid in respect thereof by Lessor to, or on behalf of, Lessee under the above Section 2.2.

For the avoidance of doubt, it is agreed and acknowledged that the Reserves are additional rent based on Lessee's utilization of, or the time lapsed on, the Aircraft during the Lease Term. The purpose of the notional accounts and sub-accounts referred to in this Section 2.3 is to determine the amount of Lessor maintenance reimbursement obligation under this Section 2 and Lessee has no right or interest whatsoever in such accounts or the Reserves.

For the avoidance of doubt, in all maintenance events lessee will only be responsible for the cost incurred in the maintenance event based on the hours / cycles flown by lessee during the lease

2.4 Intentionally left blank

2.5 Payments

Lessee shall promptly submit to Lessor detailed and substantiated invoices for all maintenance for which reimbursement is sought under this Section 2 and, in any event, not later than the 30th day following receipt by Lessee of such invoices from the Agreed Maintenance Performer (or, if such maintenance is performed by Lessee, not later than the 60th day following completion of such maintenance). Lessor shall pay to Lessee all amounts reimbursable hereunder within (30) days from receipt of such invoices and any other substantiating documentation reasonably requested by Lessor.

3 LOPA

Lessor may review Lessee's proposed designs, plans, engineering drawings and diagrams, and flight and maintenance manual revisions for the Layout of Passenger Accommodation change ("LOPA"). Lessee will furnish Lessor with such documents in final form and any other documents required by Law, as a result of such Modification. The LOPA incorporated on the Aircraft will be properly documented in the Aircraft Documentation and be fully approved by the EASA and the CAA including but not limited to (i) interface load analysis; (ii) electrical load analysis; and (iii) the requirement for continuous airworthiness data. Such final documentation shall include a method to reverse such LOPA to the existing LOPA prior to returning Aircraft.

The LOPA will be considered temporary, will remain the property of Lessee and Lessee will reverse the LOPA prior to return of the Aircraft.

SCHEDULE 3
DELIVERY CONDITION AND DELIVERY PROCEDURES

PART I
Delivery Condition

1. CONDITION OF AIRFRAME AND ENGINES

On the Delivery Date, the Aircraft shall be delivered in compliance with the summary specification attached as Annex 1 to this Schedule 3 and:

1.1 Airworthiness, Deregistration and Export Matters

The Aircraft shall be duly registered with the ECAA and shall have, and be in compliance with, an Airworthiness Certificate.

1.2 ADs, Service Bulletins, Etc.

All airworthiness directive which are issued by authority of the country of manufacture of the aircraft prior to the Delivery Date of the Aircraft and which require compliance prior to Delivery of the Aircraft to Lessee or within six (6) months after Delivery (the Lessor AD Period) will have been complied with on the Aircraft at Lessor's cost as follows:

- i) All airworthiness directive for which terminating action is due within the Lessor AD Compliance Period will be accomplished by performing the termination action; and
- ii) All airworthiness directives for which terminating action is not due within the lessor AD Compliance Period will be accomplished at the highest level of applicable inspection or modification per AD.

1.3 Engine Condition

Neither Engine shall show any adverse trends and the Engine operational and performance parameters shall be sufficiently within limits specified by Engine Manufacturer and the condition of the Engine shall otherwise be such to permit full take-off power to manufacturer's specification. If there is lack of data in the engine manual or a need of clarification, then Lessor and Lessee shall consult the Engine Manufacturer for the data and explanation, and agree to be bound by the determination of such advice. If the engine manufacturer clarification/ recommendation requires a commercial decision, both Parties will agree and decide further.

There shall be no PMA parts installed. During the next shop visit and strip down of engines, if there is any PMA parts exist, Lessor shall provide OEM parts replacing such part.

1.3.1 Engine Borescope

For each Engine, a complete (100% of all accessible stages and sections) video borescope inspection for such Engine shall have been performed, at Lessor cost, after the acceptance demonstration flight, Lessor shall correct any discrepancies outside of manufacturer-approved limits found during such inspection.

1.3.2 Full-Rated Performance

The Aircraft shall be capable of certificated, full-rated performance without limitations throughout the operating envelope as defined in the airplane flight manual; performance compliance will be demonstrated: (1) by on-wing static inspection and testing of the powerplants in accordance with the Airframe Manufacturer's airframe maintenance manual and (2) by review of historical maintenance records, including trend monitoring and EGT/test cell data (in the event an Engine is just out of test cell). Lessor shall correct any discrepancies outside of manufacturer-approved limits.

1.4 APU Condition

The APU shall be serviceable (as demonstrated by a systems/functions test in accordance with the APU manufacturer's relevant manual and the Airframe Manufacturer's airframe maintenance manual), with no on-watch items.

1.5 Landing Gear Condition

Each Landing Gear shall be serviceable and within the limits specified in the AMM.

1.6 Paint

Lessor shall deliver the Aircraft in Lessee's logo and livery against the payment of 45,000 USD (forty five thousand USD) per Aircraft. Such amount will be paid upon completion of painting of each Aircraft and upon providing the invoice to Lessee.

1.7 Tires and Brakes

The tires and brakes shall be serviceable in accordance with the AMM. Each of the tires shall have an average of no less than 50% tread-life remaining and each brake shall have remaining not less than 50% service wear life remaining.

1.8 Cabin Configuration

The Aircraft shall be delivered in as is configuration per current attached LOPA.

1.9 General

(1) (a) As for the Aircraft SU-GBX (MSN 32629), Lessor shall deliver to the Lessee the Aircraft fresh out of "C" check (including all lesser checks) in accordance with the approved MPD complying with MPD and in accordance with the Public Tender offered by the Lessee in this regard.

(b) As for the Aircraft SU-GBY (MSN 32630), Lessor shall deliver the Aircraft without performing phase 36 (80 task cards), phase 28(182 task cards) and phase 56(task cards 74) which shall be due starting from June 2015. Both Parties agree to execute the tasks stated herein in this paragraph on Lessor's account while the Lessee shall deliver the Aircraft to Lessor's facility in Cairo and shall bear 25% of generated non-routine tasks in pro-rata which shall not exceed 40,000 USD (forty thousand USD). For avoidance of doubt, the Periodic Rent pertaining to the ground time for such task shall be deducted from the Periodic Rent due to Lessor and shall be calculated from the time the Aircraft arrives to Lessor's facilities until it's out of the facility.

For any task cards due between delivery C check and next C check and not related to multiple 2 even or odd "A" checks, Lessor shall support the Lessee by tools and personnel to perform those cards. If the Lessee facility is not capable of performing those tasks, Lessor shall provide the required tools which not available at Lessee's base, and shall also provide experts to perform the tasks. Lessee shall assist Lessor with technicians and other required assistance, tools and space as the case requires, the grounding time will be deducted from the Rent Periodic. If performing those tasks needs Lessor's facility, Lessor shall perform such tasks at its facility, the grounding time will be deducted from the Rent Periodic.

- (2) The Aircraft shall (a) be clean, (b) have no repair out of Structure Repair Manual (SRM), (c) have no loose, missing or pulled fasteners, and (d) be free of scratches, buckles and damage exceeding Airframe Manufacturer tolerances.
- (3) The Aircraft shall be free of fuel, oil and hydraulic leaks beyond aircraft maintenance manual limits.
- (4) All decals and required notices/placards (Arabic/English) shall be installed and shall be clean, secure and legible.
- (5) All doors shall be free moving, correctly rigged and be fitted with serviceable seals, and free of any air noise or leaks beyond aircraft maintenance manual limits.
- (6) All panels and other surfaces shall be secure, properly sealed and be free of cracks, stains and other disfigurement (normal wear and tear excepted).
- (7) Windows shall be free of delamination, blemishes, and crazing outside of aircraft maintenance manual limits, and shall be properly sealed and free of any air leaks outside of aircraft maintenance manual limits.
- (8) All seats shall be serviceable and in good condition.
- (9) All emergency equipment having a calendar life shall have a minimum remaining life of twelve months.
- (10) Two ship sets Galley Trolleys and one complete set of oven Inserts with skids according to the approved LOPA shall be installed and serviceable and all galley areas shall be free from contamination and meet safety and health standards. Lessor shall furnish extra oven inserts according to the situation at delivery time.
- (11) Floor coverings shall be effectively sealed.

- (12) All cargo nets and cargo bay liners shall be in good condition.
- (13) Landing gear and doors shall be free of leaks outside of aircraft maintenance manual limits and properly rigged.
- (14) Wheel wells shall be free of leaks outside of aircraft maintenance manual limits
- (15) Portable automatic deployment ELT shall be installed and serviceable, ELT coding shall be the responsibility and cost of Lessee.
- (16) The Aircraft shall have no outstanding recorded defects or any deferred maintenance items.
- (17) The Aircraft shall be compliant with Lessor's current revision of the approved MP, which shall be the most recent revision by the manufacturer.
- (18) The aircraft will be in compliance with manufacture corrosion prevention and control program CPCP specified for the model type by manufacture.
- (19) IFE shall be fully functional if installed, Required media and customized software are responsibility of the Lessee.
- (20) All components should be in a serviceable condition. All hard time components shall have a minimum 2000 FH or 500 FC or one year (whichever is limiting) until the next scheduled shop overhaul.
If any item is below the above mentioned limits, Lessor shall send such item to any connecting station operated by the Lessee in the Middle East one month before its date of expiration. Lessee shall be responsible for the installation of such item.
- (21) The Aircraft shall have Engines/ landing Gear and APU bearing the same serial numbers and Parts installed on the aircraft having an FAA Form 8130-3 or EASA Form 1 with same part numbers, Modifications or higher. Hours and cycles not exceed the aircraft Hours and cycles for hard time components mentioned in the delivery records , except as otherwise agreed in writing by both parties

2. DOCUMENTATION

2.1 Aircraft Documentation

Lessor shall deliver to Lessee at the Delivery Location a copy of Delivery Documentation. All aircraft documentation shall be listed and included as an attachment to the delivery acceptance certificate as per Annex F. Lessor shall ensure that all aircraft documentation provided to Lessee shall be in good condition, readable, updated to the last revision and capable of being reproduced using standard reproduction process. Lessee will indicate in the acceptance certificate all missed documentation provided that these missed documentation will not affect aircraft airworthiness. Lessor shall provide all available aircraft records in excel format

2.2 Technical Records

Prior to the Delivery Date, LESSOR will provide LESSEE with a Technical Evaluation Report in the form and substance of Exhibit F, and, in addition upon Lessee's request, will make copies available of (i) drawings of the then-current interior configuration of the Aircraft, (ii) an airworthiness directive status list, (iii) a service bulletin incorporation list, (iv) rotatable tracked, hard-time and life-limited component listings, (v) a list of modifications, alterations and repairs, (vi) interior material burn certificates, (vii) information regarding Prior Lessee's maintenance program for the aircraft, (viii) the complete workscopes for the checks, inspections and other work to be performed prior to Delivery, (ix) to the extent received from Prior Lessee, a forecast of the checks, inspections and other work to be performed within eighteen (18) months after Delivery of the Aircraft, (x) a list of all no-charge service bulletin kits with respect to the Aircraft which were ordered by Prior lessee from Manufacturer or the Engine manufacturer, (xi) to the extent received from Prior Lessee, recent takeoff and cruise trend reports for the last recent 10 flights, Lessor shall communicate with P&W to release the engine monitoring data for the last six months of operation, (xii) current Engine disk sheets, (xiii) last Engine shop visit reports and (xiv) any other data which is reasonably requested by LESSEE.

3. WARRANTIES

With effect from the Delivery Date and for the period of the Lease Term, Lessor will make available to Lessee without recourse and without representations or warranties of any kind if any, and authorize Lessee to exercise, such rights as Lessor may have under any warranty with respect to the Aircraft, any Engine or any Part made by any manufacturer, vendor, storage company, sub-contractor or supplier, to the extent that the same may be made available to Lessee and subject to any terms and conditions set forth in the relevant agreement with the relevant manufacturer, vendor, storage company, subcontractor or supplier including any necessary consents.

PART II
Delivery Procedures

1. PRE-DELIVERY INSPECTION

1.1 Inspection Process

For the period commencing at least ten business days prior to the scheduled delivery date and continuing to the date on which the Aircraft is delivered to Lessee in the condition required by this schedule 3, Lessor will provide for the review of Lessee and/or its representative all of the aircraft records and historical documents described in annex 2 to the Acceptance Certificate in one central room at the Delivery Location.

1.2 Discrepancies

Lessee has the right to perform Aircraft inspection during Delivery "C" Check for a reasonable time and provide any discrepancy from the condition of the Aircraft provided that discrepancy out of the Aircraft Maintenance manual

Any discrepancy from the condition of the Aircraft as described in Part 1 of Schedule 3 which is identified in writing to Lessor by Lessee on or prior to the Scheduled Delivery Date shall be corrected by Lessor at its cost prior to Delivery of the Aircraft.

1.3 ACCEPTANCE FLIGHT

Immediately prior to the Delivery of the Aircraft, Lessor will cause to be carried out for Lessee and / or Lessee's representative an Aircraft acceptance flight which will be for not less than two hour in which standard revenue flight profiles are demonstrated. Flight cost and fuel will be furnished by and at the expense of Lessor. Any deficiencies out of normal wear and tear and manufacture manuals from the aircraft delivery condition requirement will be corrected by Lessor at its cost prior to Delivery of the Aircraft . Lessor shall allow at least three observers on such flight

1.4 Technical Acceptance

Upon completion of the Final Inspection and, unless otherwise agreed by Lessee pursuant to this Section 1.4, correction of any discrepancies from the required Delivery Condition in accordance with normal wear and tear and manufacturer manuals of the Aircraft and where Lessor has otherwise complied with its obligations under this Section 1. Once the Lessor meets what is stated in Schedule 3 Part 1, Lessee shall execute and deliver to Lessor a delivery Acceptance Certificate which shall evidence Lessor's delivery of the Aircraft.

2. CHANGES IN DELIVERY DATE

If on the Scheduled Delivery Date any of the conditions of this Lease have not been met or waived in accordance with its conditions, then the delivery of the Aircraft under this Lease Agreement shall be delayed beyond the Scheduled Delivery Date by mutual agreement.

ANNEX 1 TO
SCHEDULE 3

SUMMARY SPECIFICATION

(to be provided by the parties)

AIRCRAFT IDENTIFICATION

Manufacturer:	
Model:	B777-200ER
Serial Number:	32629
Registration :	SU-GBX
Year of Manufacture :	2001

PRINCIPAL OPERATING WEIGHTS

Maximum Taxi Weight:	286,897 Kg
Maximum Take-Off Weight:	208,652 Kg
Maximum Landing Weight:	195,044 Kg
Zero Fuel Weight:	137,050 Kg
OEW	137,500 Kg
Basic Weight	
Payload	52,740 Kg

FUEL DATA

Fuel Capacity:	137,500 Kg
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ENGINE DATA

Manufacturer	P&W
Model:	PW4090
Serial Number Position 1	ESN 222029
Serial Number Position 2	ESN 222031

APU DATA

Manufacturer:	Honeywell
Model	331-500B
Serial Number	P1093

LANDING GEAR DATA

Manufacturer:	BOEING
Next Overhaul Due on	February 2022
Nose Landing Gear P/N: 162W1000-15	Serial Number : MC0378P0368
LH Main Landing Gear P/N: 161W1000-39	Serial Number : MC0769P0368
RH Main Landing Gear P/N: 161W1000-40	Serial Number : MC0770P0368

SEAT CONFIGURATION : 319 (12 F/C + 21 B/C + 286 Y/C) 3 CLASS STANDARD CONFIGURATIONS

Attached are the following:

- Airframe status
- Maintenance interval
- Engine status
- APU status
- Landing gear status
- Aircraft interior configuration LOPA
- Avionics List



**ANNEX 1 TO
SCHEDULE 3**

SUMMARY SPECIFICATION

(to be provided by the parties)

AIRCRAFT IDENTIFICATION	
Manufacturer:	
Model:	B777-200ER
Serial Number:	32630
Registration :	SU-GBY
Year of Manufacture :	2001
PRINCIPAL OPERATING WEIGHTS	
Maximum Taxi Weight:	286,897 Kg
Maximum Take-Off Weight:	208,652 Kg
Maximum Landing Weight:	195,044 Kg
Zero Fuel Weight:	137,050 Kg
OEW	137,500 Kg
Basic Weight	52,740 Kg
Payload	
FUEL DATA	
Fuel Capacity:	137,500 Kg
ENGINE DATA	
Manufacturer	P&W
Model:	PW4090
Serial Number Position 1	ESN 222030
Serial Number Position 2	ESN 222166
APU DATA	
Manufacturer:	Honeywell
Model.	331-500B
Serial Number	P1444
LANDING GEAR DATA	
Manufacturer:	BOEING
Next Overhaul Due on	February 2022
Nose Landing Gear P/N: 162W1000-15	Serial Number : MC0372P0362
LH Main Landing Gear P/N: 161W1000-39	Serial Number : MC0757P0362
RH Main Landing Gear P/N: 161W1000-40	Serial Number : MC0758P0362

SEAT CONFIGURATION : 319 (12 F/C + 21 B/C + 286 Y/C) 3 CLASS STANDARD CONFIGURATIONS

Attached are the following:

- Airframe status
- Maintenance interval
- Engine status
- APU status
- Landing gear status
- Aircraft interior configuration LOPA
- Avionics List



SCHEDULE 4
RETURN CONDITION AND RETURN PROCEDURES

PART I
Return Condition

1. CONDITION OF AIRFRAME AND ENGINES

On the last day of the Lease Term, the Aircraft shall conform to the configuration of the Aircraft, and with all equipment installed as, on the Delivery Date (as described in Schedule 3 to the Lease Agreement), except as changed in a manner either required or permitted pursuant to this Lease.

1.1 General Requirements

- (1) The Aircraft MSN 32629 and MSN 32630 fresh of "C" (including all lesser checks) which should be performed at an EASA/FAA approved maintenance facility accepted by Lessor and in accordance with the approved MP which complies with the MPD.
- (2) The Aircraft have been operated, maintained and repaired in accordance with manufacturer manuals and have no deferred maintenance;
- (3) The Aircraft have all of the Aircraft equipment, components and systems functioning in accordance with their intended use and specifications, within applicable limits and showing no signs of incipient fault, in each case irrespective of deviations or variations authorized by the Minimum Equipment List (MEL) or Configuration Deviation List (CDL);
- (4) The Aircraft shall be free of all Liens other than Lessor Liens and not have installed thereon any equipment, components and/or parts which are leased or loaned or otherwise owned by Lessee or a third party; and
- (5) The Aircraft shall be in good condition and shall be at the same configuration as at Delivery. Normal wear and tear is acceptable.
- (6) The Aircraft shall have Engines/ landing Gear and APU bearing the same serial numbers and Parts installed on the aircraft having an FAA Form 8130-3 or EASA Form 1 with same part numbers, Modifications or higher. Hours and cycles not exceed the aircraft Hours and cycles for hard time components mentioned as received by Aircraft delivery records which were at the time of Delivery, except as otherwise agreed by both parties

1.2 Condition Permitting Commercial Operation

The Aircraft shall be in an airworthy condition in accordance with CAAB regulations.

1.3 Airworthiness, Deregistration and Export Matters

The Aircraft shall have a valid airworthiness certificate (or its equivalent) issued by the CAAB.

1.4 Intentionally Left Blank

1.5 ADs, Service Bulletins,

All airworthiness directive which are issued by authority of the country of manufacture of the aircraft within the Lease term and require compliance within lease term or within six (6) months after Return of the Aircraft to Lessor (the Lessee AD Period) will have been complied with on the Aircraft at Lessee's cost as follows:

- iii) All airworthiness directive for which terminating action is due within the Lessee's AD Compliance Period will be accomplished by performing the termination action; and
- iv) All airworthiness directive for which terminating action is not due within the Lessee's AD Compliance Period will be accomplished at the highest level of applicable inspection or modification per AD.

1.5.1 Required Actions

The Aircraft shall be in compliance with all modification Required Actions where the compliance date for such action falls during the Lease Term.

1.5.2 Intentionally Left Blank

1.6 Engine Condition

Neither Engine shall be on watch for any reason whatsoever, and the Engine operational and performance parameters shall be sufficiently within limits specified by Engine Manufacturer and the condition of the Engine shall otherwise be such to permit full take-off power to manufacturer's specification. Lessee shall correct any discrepancies outside of manufacturer-approved limits. There shall be no PMA parts installed

1.6.1 Engine Borescope

For each Engine, a complete (100% of all accessible stages and sections) video borescope inspection for such Engine shall have been performed, at Lessee's cost, after the return demonstration flight and Lessee shall correct any discrepancies outside of manufacturer-approved limits found during such inspection.

1.6.2 Full-Rated Performance

The Aircraft shall be capable of certificated, full-rated performance without limitations throughout the operating envelope as defined in the airplane flight manual; performance compliance will be demonstrated: (1) by on-wing static inspection and testing of the power plants in accordance with the Airframe Manufacturer's airframe maintenance manual and (2) by review of historical maintenance records, including trend monitoring and EGT/test cell data (in the event an Engine is just out of test cell). Lessee shall correct any discrepancies outside of manufacturer-approved limits.

1.7 APU Condition

The APU shall be fully serviceable (as demonstrated by a systems/functions test in accordance with the APU manufacturer's relevant manual and the Airframe Manufacturer's airframe maintenance manual), with no on-watch items and no limitations.

1.8 Landing Gear Condition

The Landing Gear shall have operated no more Airframe Flight Hours or Airframe Flight Cycles during the Lease Term than the Airframe. Each Landing Gear shall be serviceable and within the limits specified in the AMM

1.9 Intentionally Left Blank

1.10 Tires and Brakes

The tire shall show normal wear and tear since Delivery and each brake shall be serviceable. The tires and brakes shall be serviceable in accordance with the AMM. Each of the tires shall have an average of no less than 50% tread-life remaining (with not more than three re-caps) and each brake shall have remaining not less than 50% service wear life remaining.

1.11 Paint

Lessee shall at his cost remove exterior marking and deliver the aircraft in white, and after painting, the aircraft will be weighed, with all external placards, signs and markings properly attached, free from damage, clean and legible.

1.12 Service Bulletin Kits

All free of charge service bulletins for which kits have been received or manufactured by Lessee for the Aircraft, as of the commencement of the Final Inspection, shall be installed thereon prior to Return (with all other such kits received by Lessee after such time to be shipped by commercial carrier to a location specified by Lessor) and, at Lessor's option, all other service bulletin kits ordered by Lessee specifically for the Aircraft shall be provided to Lessor, subject to Lessor reimbursing to Lessee its cost for such kits.

1.13 Fuel and Oil

Each fuel tank and oil tank shall have the same level as at delivery to Lessee on the Delivery Date.

1.14 General

- (1) The Aircraft shall (a) be clean, (b) have no temporary repairs, (c) have no loose, missing or pulled fasteners, and (d) be free of scratches, buckles and damage exceeding Airframe Manufacturer tolerances.
- (2) The Aircraft shall be free of fuel, oil and hydraulic leaks beyond aircraft maintenance manual limits.
- (3) All decals and required notices shall be installed (English/Arabic) and shall be clean, secure and legible.
- (4) All doors shall be free moving, correctly rigged and be fitted with serviceable seals, and free of any air noise or leaks beyond aircraft maintenance manual limits.
- (5) All panels and other surfaces shall be secure, properly sealed and be free of cracks, stains and other disfigurement (normal wear and tear accepted).
- (6) Windows shall be free of delamination, blemishes, and crazing outside of aircraft maintenance manual limits, and shall be properly sealed and free of any air leaks outside of aircraft maintenance manual limits.
- (7) All seats shall be serviceable and return as delivery (normal wear and tear accepted).
- (8) All emergency equipment having a calendar life shall have a minimum remaining life of twelve months.
- (9) All galley equipment/inserts (quantity as delivered) shall be installed and serviceable and all galley areas shall be free from contamination and meet safety and health standards.
- (10) Floor coverings shall be effectively sealed.
- (11) All cargo nets and cargo bay liners shall be in good condition.
- (12) Landing gear and doors shall be free of leaks outside of aircraft maintenance manual limits and properly rigged.
- (13) Wheel wells shall be free of leaks outside of aircraft maintenance manual limits.
- (14) Installed IFE shall be fully functional, media shall be provided by the Lessor..
- (15) Portable automatic deployment ELT shall be installed and serviceable.
- (16) The Aircraft shall have no outstanding recorded defects or any deferred maintenance items.
- (17) The Aircraft shall be compliant with Lessee's current revision of the Lessee approved MP, which shall be the most recent revision.
- (18) Aircraft cabin shall be returned as it is .

2. AIRCRAFT DOCUMENTATION

At Return, Lessee shall deliver to Lessor at the Return Location the Aircraft Documentation. All Aircraft Documentation provided to Lessor at time of Return shall be listed and included as an attachment to the Return Acceptance Certificate. Lessee shall ensure that all Aircraft Documentation provided to Lessor shall be in good condition, readable and capable of being reproduced using standard reproduction processes and otherwise shall have been maintained in accordance with the requirements of the Operative Documents. All Aircraft Documentation shall be in printed form (except only those documents which Lessee has received only in non-printed form).

Technical Records

Prior to the Re-Delivery Date, Lessee will provide LESSOR with a Technical Evaluation report in the form and substance of Exhibit F, and, in addition upon Lessor's request, will make copies available of (i) drawings of the then-current interior configuration of the Aircraft, (ii) an airworthiness directive status list, (iii) a service bulletin incorporation list, (iv) rotatable tracked, hard-time and life-limited component listings, (v) a list of modifications, alterations and repairs, (vi) interior material burn certificates, (vii) information regarding Prior Lessee's maintenance program for the aircraft, (viii) the complete worksopes for the checks, inspections and other work to be performed prior to Delivery, (ix) to the extent received from Prior Lessee, a forecast of the checks, inspections and other work to be performed within eighteen (18) months after Delivery of the Aircraft, (x) a list of all no-charge service bulletin kits with respect to the Aircraft which were ordered by Prior lessee from Manufacturer or the Engine manufacturer, (xi)

takeoff and cruise trend reports for the last recent TEN flights , (xii) current Engine disk sheets, (xiii) last Engine shop visit reports and (xiv) any other data which is reasonably requested by Lessor.

3. WARRANTIES

At Return Lessee shall assign to Lessor any remaining Airframe, Engine, Part or other warranties with respect to the Aircraft pursuant to a written agreement in form and substance satisfactory to Lessor, and Lessee shall arrange for all necessary manufacturer and other vendor consents to such assignment or novation.

4 Early termination of Lease agreement:

In case of early termination of the Lease, the return conditions as described above in part 1 of schedule 4 will be applied.

PART II
Return Procedures

1. RETURN OF THE AIRCRAFT

1.1 Date and Location of Return

On the last day of the Lease Term or in case of early termination of the lease, Lessee, at its own risk, cost and expense, shall return the Aircraft, including the Airframe, the Engines, all Parts thereof and the Aircraft Documentation, to Lessor at the Return Location in accordance with the provisions of the Lease Agreement, including this Schedule 4, and the other Operative Documents.

1.2 Condition of Aircraft

At Return, Lessee shall provide the Aircraft free and clear of all Liens (other than Lessor Liens) and the Aircraft shall comply with the conditions and requirements set forth in the Lease Agreement, including Part I to this Schedule 4, and the other Operative Documents.

1.3 Final Inspection

1.3.1 Ground Inspection

If the Lease runs the full Term, then no less than 30 days prior to commencement of the Return, Lessee shall provide Lessor with written notice of the date of delivery check, and a reasonably complete plan for the content of, the Final Maintenance (which shall include the mutually agreed designation of the Agreed Maintenance Performer and shall include all workscopes). No less than 30 days in advance of the commencement of the Final Maintenance, Lessee shall give Lessor final written confirmation of the date and Bill of work and any changes to the plan for, the Final Maintenance. During such Final Maintenance, the Aircraft, including the Aircraft Documentation, shall be made available to Lessor and/or Lessor's agents, representatives and designees (each, an "Inspecting Party") for ground inspection by the Inspecting Parties at the location of the Final Maintenance. The Final Inspection shall include the procedures set forth in Part I to this Schedule 4.

1.3.2 Demonstration Flight

immediately prior to Lessor's technical acceptance of the Aircraft, Lessee shall, using its own pilots, and at its expense carry out for the Inspecting Parties a demonstration flight of the Aircraft in accordance with such procedures as may be mutually agreed between Lessor and Lessee to demonstrate compliance with the requirements of this Section 1. Such flight shall continue for the duration necessary to perform such check flight procedures, but for a period not exceeding one hours of flying time. Lessee shall allow at least three observers on such flight.

1.4 Technical Acceptance and deregistration

Upon completion of the Final Inspection and, unless otherwise agreed by Lessor pursuant to this Section 1.4, correction of any discrepancies from the required return condition of the Aircraft and where Lessee has otherwise complied with its obligations under this Section 1. Once the Lessor is satisfied that the Aircraft complies with Schedule 4 Part 1, Lessor shall execute and deliver to Lessee a Return Acceptance Certificate which shall evidence Lessee's Return of the Aircraft. If any such discrepancies are not corrected when the Aircraft is scheduled to be returned, Lessor may accept the Aircraft and any such discrepancies may be corrected by Lessor or its designee after return of the Aircraft at Lessee's expense upon acceptance of the aircraft by lessor, lessee will immediately cause the Aircraft to be deregistered by CAAB with proper notification to ECAA.

1.5 Failure to Return Aircraft

If Lessee shall not return the Aircraft at the time or in the condition specified herein or return of the Aircraft is not accepted by Lessor because of Lessee's failure to meet the requirements of this Section 1, the obligations of Lessee provided in each Operative Document to which Lessee is a party and the obligation to pay Rent shall continue in effect with respect to the Aircraft, and the Lease Term shall, unless earlier terminated in accordance with the Lease Agreement, be deemed to be extended until Return of the Aircraft to Lessor. Lessee shall in this extended period:

1. shall utilize good faith efforts to complete the requirements of Section 1 as quickly as commercially reasonable under the circumstances at the time of performance; and
2. all Lessee's obligations and covenants under the Lease will remain in full force until Lessee so redelivers the Aircraft.

SCHEDULE 5

NOTICE AND ACCOUNT INFORMATION

LESSOR ADDRESS:

Attn: _____

Telephone: _____

Facsimile: _____

Electronic mail: _____

LESSOR ACCOUNT:

BANQUE DU CAIRE KASR EL NIL Branch	Bank Name
47 Kasr El Nil Street , Cairo	Bank Address
Egyptair Holding Company	Account Name
020/601/1249	Account Number USD
BCAIEGCX 020	Swift Code

LESSEE ADDRESS:

Attn: _____

Telephone: _____

Facsimile: _____

Electronic mail: _____

SCHEDULE 6

Whereas, Lessor is the shareholder of EGYPTAIR Maintenance and Engineering Company (the "Maintenance Company") which provides technical services;

Whereas, Lessee requested the Lessor to liaise with the Maintenance Company for providing 4 B1 and B2 (electrical) engineers (the "Engineers") and;

Whereas, the Maintenance Company agreed to provide the Engineers to carry out the scope of work as follows;

Following Support/Services/Training to be included in to this Dry Lease Agreement.

- (a) The Maintenance Company shall provide 5 (five), two of which are B1 (having coverage on the PW 4090 engine and at least one has the authority for BSI, engine G/Run), two B2 Electric and one B2 Avionic (at least one has dispatch approval) against 10,000 USD/ month per engineer for the term of three months with provisions for extension as mutually agreed between both the Lessee and the Maintenance Company.

The Lessee shall provide ground transportation from and to Dhaka International Airport where the Lessee's facilities are, and shall also provide Business Class air-tickets to the Engineers from any Middle-East station where the Lessee has flights to Dhaka.

At any outside station, the Lessee shall provide hotel accommodation as per the Lessee's contracted hotel and per diem 50 USD/ day per engineer.

(B) As Lessee requested training, spare engine, parts, components, spares if available and maintenance support both Parties agree that Maintenance Company and the EGYPTAIR Training Center shall liaise with the Lessee and sign a side letter to this Agreement in this regard.

This Schedule (6) is considered as a seconded separate agreement between the Lessee and Maintenance Company and shall not add any obligations on Lessor's side with respect to keeping the Aircraft in operation by any means of which the Lessee shall be the sole responsible.

Lessee herein indemnifies and hold harmless Lessor and Maintenance Company its affiliates, agents, subcontractors and employees from any and all liability and responsibility of whatever kind or nature relating to or in connection with the Maintenance, operation to the Aircraft damage, death injury to any third party, Lessee will be responsible for keeping insurance coverage as mentioned above.



SCHEDULE 7

LESSOR'S CONDITIONS PRECEDENT

The obligation of Lessor to deliver and lease the Aircraft to Lessee under the Lease Agreement is subject to the fulfillment to the satisfaction of Lessor, and Lessee shall procure such fulfillment, to the satisfaction of Lessor, on the Scheduled Delivery Date (or, if another date is specified below, on or prior to such date) of the following conditions precedent:

1. AGREEMENTS AND DOCUMENTS

The following documents, agreements, instruments or certificates shall have been duly authorized, executed and delivered by the respective party or parties thereto (other than Lessor), shall each be satisfactory in form and substance to Lessor and shall be in full force and effect (unless expressly provided otherwise) and in the English language, where appropriate, shall have been duly notarized and legalized and executed counterparts thereof shall have been delivered to Lessor:

1.1 **Lease Agreement**

The Lease Agreement.

1.2 **Acceptance Certificate**

The Acceptance Certificate.

1.4 **Insurance Documents**

A certificate of insurance in the form of Exhibit B to the Lease Agreement and which otherwise complies with the requirements of Section 11 of the Lease Agreement, an insurance broker's letter in the form of Exhibit C to the Lease Agreement (together with such additional endorsements, or such documentation in relation to any relevant government program, to demonstrate compliance with Section 11.1.3 of the Lease Agreement) and a certificate of insurance, in compliance with the requirements of Section 11 of the Lease Agreement, in respect of any Spare Engine delivered with the Aircraft (with an agreed value for such Spare Engine, and naming the relevant engine owner as loss payee, as shall be notified by Lessor to Lessee).

1.5 **Intentionally Left Blank**

1.6 **Secretary's or Officer's Certificate**

A secretary's or officer's certificate from Lessee addressing, *inter alia*, Lessee's power and authority to enter into the Operative Documents and perform its obligations thereunder, and attaching, *inter alia*, a copy of lessee constitutional documents and the corporate approvals required for the transactions contemplated by the Operative Documents.

1.7 **Intentionally Left Blank**

1.8 **Lessee's Maintenance Program**

Prior to the Scheduled Delivery Date, coordination with Lessor to assure compliance with Lessors Maintenance Program.

2. FILINGS, ETC.

Lessor shall have received evidence that on the Delivery Date all filings, registrations, recordings and other actions have been or will be taken which are necessary or advisable to ensure the validity, effectiveness and enforceability of the Operative Documents and to protect and perfect the rights and interest of Lessor and the Financing Parties in the Aircraft and the Operative Documents.

3. AUTHORIZATIONS

Lessor shall have received evidence of each Authorization which may be required in relation to, or in connection with, (1) Lessee engaging in air transport and carrying on scheduled passenger and cargo service in each case as presently conducted (including a copy of Lessee's current air transport license, operating certificate and similar documents), (2) the operation of the Aircraft in compliance with Laws applicable to Lessee, including any importation of the Aircraft, and (3) permitting the execution and delivery by Lessee of each Operative Document to which it is a party

and the performance by Lessee of its obligations thereunder (including the remittance by Lessee to Lessor in Dollars of all amounts payable under the Lease Agreement).

4. NO DEFAULT, NO EVENT OF LOSS; REPRESENTATIONS AND WARRANTIES

No Default, Event of Loss, or event, condition or circumstance that would with the giving of notice or passage of time become or give rise to an Event of Loss, shall have occurred, and the representations and warranties of Lessee under the Operative Documents are correct and would be correct if repeated on the Delivery Date.

5. CONDITION OF AIRCRAFT

The Aircraft shall have completed such maintenance and modifications as necessary for the Aircraft to be in compliance with the requirements of Schedule 3 of the Lease Agreement.

6. PAYMENTS

Lessor shall have received from Lessee the relevant payments of Rent-Periodic, Rent-Supplemental and the portion of the Security Deposit described at Section 3.4(a).

7. OTHER MATTERS

All other matters incident to the Operative Documents and the lease of the Aircraft shall be reasonably satisfactory to Lessor and Lessor shall have received all such other documents in form and substance satisfactory to it as it may reasonably require.

The conditions precedent specified in this Schedule 7 are for the sole benefit of Lessor and may be waived or deferred in whole or in part and with or without condition by Lessor. If any of such conditions is not satisfied or waived in writing by Lessor on and as of the Delivery Date and Lessor, in its sole discretion, nonetheless proceeds with the delivery of the Aircraft to Lessee hereunder, Lessee hereby covenants and agrees to satisfy, or cause the satisfaction of, such outstanding conditions within 30 days after the Delivery Date.

SCHEDULE 8
LESSEE'S CONDITIONS PRECEDENT

The obligation of Lessee to lease the Aircraft from Lessor under the Lease Agreement is subject to the fulfillment to the satisfaction of Lessee, and Lessor shall procure such fulfillment (other than with respect to the absence of an Event of Loss or incipient Event of Loss as provided in Section 4 of this Schedule 8), to the satisfaction of Lessee, on the Delivery Date (or, if another date is specified below, on or prior to such date) of the following conditions precedent:

1. AGREEMENTS AND DOCUMENTS

The following documents, agreements, instruments or certificates shall have been duly authorized, executed and delivered by the respective party or parties thereto (other than Lessee), shall each be satisfactory in form and substance to Lessee and shall be in full force and effect (unless expressly provided otherwise) and in the English language, and executed counterparts shall have been delivered to Lessee:

1.1 Lease Agreement

This Lease Agreement

1.2 Acceptance Certificate

The Acceptance Certificate

1.3 Secretary's or Officer's Certificate of Lessor

A secretary's or officer's certificate addressing, inter alia, Lessor's power and authority to enter into the Operative Documents and perform its obligations thereunder.

2. CONDITION OF AIRCRAFT

Subject to the provisions of Schedule 3 to the Lease Agreement, the Aircraft shall have completed such maintenance and modifications as necessary for the Aircraft to be in compliance with the requirements of Schedule 3 to the Lease Agreement.

3. LESSOR'S REPRESENTATION AND WARRANTIES

Lessor's representations and warranties contained in Section 5.1 of the Lease Agreement shall be true and correct on the Delivery Date.

4. NO DEFAULT OR EVENT OF LOSS

Lessor shall not be in default of any of its obligations under the Operative Documents and no Event of Loss, or event, condition or circumstance that would with the giving of notice or passage of time become or give rise to an Event of Loss, shall have occurred.

EXHIBIT A-1
FORM OF ACCEPTANCE CERTIFICATE

ACCEPTANCE CERTIFICATE (MSN ----), dated [____], 20[____] (this "Acceptance Certificate"), by BIMAN AIRLINES ("Lessee").

Reference is made to Lease Agreement (-- MSN ----) dated as of _____ (the "Lease Agreement"), between Lessee and _____ ("Lessor"). Capitalized terms used but not defined herein shall have the respective meanings ascribed thereto in the Lease Agreement.

1. [Except as provided in paragraph 4 below,] Lessee hereby irrevocably and unconditionally accepts and leases from Lessor on the date hereof and at [____], under and for all purposes of the Operative Documents, the Aircraft, as more particularly defined in the Lease Agreement, but including the following:

One Used BOEING Model B777-200ER airframe bearing manufacturer's serial number ---- (including the loose equipment listed on Annex 1 hereto), together with (a) two [] engines bearing manufacturer's serial numbers [Engine 1 ____] and [Engine 2 ____], respectively, (b) [Manufacturer ____] Model [] APU bearing manufacturer's serial number [____], (c) three landing gear assemblies bearing manufacturer's serial numbers [____] (LM), [____] (RM) and [____ 2 ____] (N) and (d) the Aircraft Documentation listed on Annex 2 hereto. The current status of the Aircraft is set out in Annex 3 hereto.
2. Lessee hereby confirms that the "Delivery Date" for all purposes of the Lease Agreement is the date set forth in the opening paragraph of this Acceptance Certificate and confirms that the Lease Term shall commence on the Delivery Date.
3. Lessee hereby confirms its agreement to pay Rent throughout the Lease Term in the amounts, to the Persons and otherwise in accordance with the provisions of Section 3 of the Lease Agreement and in accordance with the other provisions of the Operative Documents.
4. Lessee hereby confirms that it has inspected the Aircraft and that the Aircraft is in compliance with the delivery requirements of the Lease Agreement and each other Operative Document[,except for such items listed in Annex 4]. Lessee further confirms that it has read and agrees with the DISCLAIMER set forth in Section 4 of Part II of Schedule 3 to the Lease Agreement. Without limiting the terms of such DISCLAIMER, Lessee confirms and acknowledges that:
 - (1) LESSEE HAS FULLY INSPECTED THE AIRCRAFT, AND, SPECIFICALLY, HAS INSPECTED THE AIRCRAFT DOCUMENTATION.
 - (2) [EXCEPT FOR SUCH ITEMS LISTED IN ANNEX 4,] THE CONDITION OF AIRCRAFT, INCLUDING THE AIRCRAFT DOCUMENTATION, IS SATISFACTORY TO LESSEE.
 - (3) LESSEE IS AN EXPERIENCED OPERATOR OF COMMERCIAL AIRCRAFT [AND PARTICULARLY OF AIRCRAFT OF THE SAME TYPE AS THE AIRCRAFT]. LESSEE HEREBY CONFIRMS THAT IN ACCEPTING THE AIRCRAFT LESSEE IS RELYING SOLELY ON ITS OWN INVESTIGATION AND IS NOT RELYING UPON ANY REPRESENTATION, STATEMENT OR OTHER ASSERTION OF LESSOR OR ANY PERSON OR ENTITY CONNECTED WITH LESSOR WITH RESPECT TO THE AIRCRAFT.
 - (4) LESSEE HAS BEEN ADVISED OF AND FULLY UNDERSTANDS THE LEGAL IMPORT AND IMPLICATIONS OF THIS ACCEPTANCE CERTIFICATE.
5. THIS ACCEPTANCE CERTIFICATE SHALL IN ALL RESPECTS, INCLUDING ALL MATTERS OF CONSTRUCTION, VALIDITY AND PERFORMANCE, BE GOVERNED BY AND CONSTRUED AND ENFORCED IN ACCORDANCE WITH THE INTERNAL LAWS OF ENGLAND APPLICABLE TO CONTRACTS ENTERED INTO IN THAT Country.

Lessee has caused this Acceptance Certificate to be executed by its duly authorized officer on the day and year first above written.

Biman Bangladesh Airlines Ltd.

By: _____

Name: _____

Title: _____

Confirmed

EGYPTAIR HOLDING COMPANY

By: _____

Name: _____

Title: _____

Attachments:

Annex 1: Loose Equipment List (including safety and galley equipment)

Annex 2: Documentation List

Annex 3: Status of the Aircraft

Annex 4: Discrepancies



Annex 3 to
Acceptance Certificate
MSN -----

Aircraft Status

Airframe

Total Flight Hours
Date
Last S4C Check

	Total Cycles	
And		Time

Engines

S/N
Total Flight Hrs
Total Cycles
Time/Cycles SLSV

Position 1 Engine

Position 2 Engine

Landing Gears

S/N
Total Flight Hrs
Total Cycles
Cycles SLSV

Left Main	Right Main	Nose

APU

S/N
Total Flight Hrs
Total Cycles
Time/Cycles SLSV

Fuel and Oil

Fuel
Oil

Tires and Brakes

Tires

No. 1. []% remaining [] recaps
No. 2. []% remaining [] recaps
No. 3. []% remaining [] recaps
No. 4. []% remaining [] recaps
L Nose. []% R Nose. []% remaining

Brakes

No. 1. Pin [] mm
No. 2. Pin [] mm
No. 3. Pin [] mm
No. 4. Pin [] mm

Airframe life and time controlled components

As set forth in Attachment 1 to this Annex 3. **[attach]**

Engine life-limited parts

As set forth in Attachment 2 to this Annex 3. **[attach]**



EXHIBIT A-2

FORM OF RETURN ACCEPTANCE CERTIFICATE

RETURN ACCEPTANCE CERTIFICATE (MSN -----), dated [_____] , 20[_____] (this "Acceptance Certificate"), by BIMAN Airlines . ("Lessee").

Reference is made to Lease Agreement dated as of _____ (the "Lease Agreement"), between Lessee and _____

(“Lessor”). Capitalized terms used but not defined herein shall have the respective meanings ascribed thereto in the Lease Agreement.

1. [Except as provided in paragraph 4 below,] Lessee has returned to Lessor on the date hereof and at [_____] , under and for all purposes of the Operative Documents, the Aircraft, as more particularly defined in the Lease Agreement, but including the following:

Two Used BOEING Model B777-200ER airframe bearing manufacturer's serial number ----- (including the loose equipment listed on Annex 1 hereto), together with (a) two PW 4090 Model [] engines bearing manufacturer's serial numbers [Engine 1] and [Engine 2] , respectively, (b) [Manufacturer] Model [] APU bearing manufacturer's serial number [] , (c) three landing gear assemblies bearing manufacturer's serial numbers [] (LM), [] (RM) and [] (N) and (d) the Aircraft Documentation listed on Annex 2 hereto. The current status of the Aircraft is set out in Annex 3 hereto.

2. Lessor hereby confirms that the "Redelivery Date" for all purposes of the Lease Agreement is the date set forth in the opening paragraph of this Return Acceptance Certificate and confirms that the Lease Term Expiry Date has occurred.
3. Lessor hereby confirms that it has inspected the Aircraft and that the Aircraft is in compliance with the Return Conditions of the Lease Agreement and each other Operative Document [,except for such items listed in Annex 4].
4. THIS ACCEPTANCE CERTIFICATE SHALL IN ALL RESPECTS, INCLUDING ALL MATTERS OF CONSTRUCTION, VALIDITY AND PERFORMANCE, BE GOVERNED BY AND CONSTRUED AND ENFORCED IN ACCORDANCE WITH THE INTERNAL LAWS OF THE STATE OF EGYPT APPLICABLE TO CONTRACTS ENTERED INTO IN THAT STATE BETWEEN CITIZENS OF THAT STATE AND TO BE PERFORMED WHOLLY WITHIN THAT STATE WITHOUT REFERENCE TO ANY RULES GOVERNING CONFLICTS OF LAWS.

Lessor has caused this Acceptance Certificate to be executed by its duly authorized officer on the day and year first above written.

EGYPTAIR HOLDING COMPANY

By: _____
Name:
Title:

Confirmed:

Biman Bangladesh Airlines Ltd.

By: _____
Name:
Title:

Attachments.

Annex 1: Loose Equipment List (including safety and galley equipment)

Annex 2: Documentation List

Annex 3: Status of the Aircraft

Annex 4: Discrepancies

Annex 3 to
Return Acceptance Certificate
(MSN -----)

Aircraft Status

Airframe	<input type="text"/>	<input type="text"/>
Total Flight Hours	<input type="text"/>	<input type="text"/>
Date And Time	<input type="text"/>	<input type="text"/>
Last S4C Check	<input type="text"/>	<input type="text"/>

Engines	Position 1 Engine	Position 2 Engine
S/N	<input type="text"/>	<input type="text"/>
Total Flight Hrs	<input type="text"/>	<input type="text"/>
Total Cycles	<input type="text"/>	<input type="text"/>
Time/Cycles SLSV	<input type="text"/>	<input type="text"/>

Landing Gears	Left Main	Right Main	Nose
S/N	<input type="text"/>	<input type="text"/>	<input type="text"/>
Total Flight Hrs	<input type="text"/>	<input type="text"/>	<input type="text"/>
Total Cycles	<input type="text"/>	<input type="text"/>	<input type="text"/>
Cycles SLSV	<input type="text"/>	<input type="text"/>	<input type="text"/>

APU	<input type="text"/>
S/N	<input type="text"/>
Total Flight Hrs	<input type="text"/>
Total Cycles	<input type="text"/>
Time/Cycles SLSV	<input type="text"/>

Fuel and Oil	<input type="text"/>
Fuel	<input type="text"/>
Oil	<input type="text"/>

Tires and Brakes	<input type="text"/>
Tires	No. 1. []% remaining [] recaps
	No. 2. []% remaining [] recaps
	No. 3. []% remaining [] recaps
	No. 4. []% remaining [] recaps
Brakes	L Nose. []% R Nose. []% remaining
	No. 1. Pin [] mm
	No. 2. Pin [] mm
	No. 3. Pin [] mm
	No. 4. Pin [] mm

Airframe life and time controlled components

As set forth in Attachment 1 to this Annex 3. **[attach]**

Engine life-limited parts

As set forth in Attachment 2 to this Annex 3. **[attach]**



EXHIBIT B
FORM OF CERTIFICATE OF INSURANCE

TO: Egyptair Holding Company, Lessor
Biman Airlines , Lessee

Date: []

CERTIFICATE OF INSURANCE

THE AIRCRAFT. B777-200ER MSN-----, Registration SU-----, incorporating Two PW [] engines bearing MSN's [] and [].

BASIS: This Certificate is issued by [] in our capacity as Insurance Brokers to the Assured in respect of certain insurance policies issued to them by [].

DESCRIPTION OF INSURANCE: Subject to the terms, conditions, limitations, exclusions and cancellation provisions of the Policies numbered [].

ASSURED: Biman Airlines, Lessee, and others as fully described in the Policies or endorsed thereon.

PERIOD OF INSURANCE: 12:01 AM, [] to
12:01 AM, []

GEOGRAPHICAL LIMITS: Worldwide (with some exclusion in respect of Hull War)

HEREON: 100% insurance placed with [].

1. HULL ALL RISKS:

Covering all risks of loss or damage of the Aircraft whilst in flight, taxiing or on the Ground on an agreed value basis. In respect of the Aircraft the Agreed Value is \$ 55,000,000 USD and is subject to deductibles in respect of all losses other than total loss/constructive total loss/arranged total loss of \$100,000 USD each and every claim each aircraft.

In the event that an aircraft insured heron is fitted with Leased Engine(s) the agreed value of the aircraft to which such Leased Engine(s) is attached is automatically increased by the agreed value of the Leased Engine(s) for the period it is installed subject always to the maximum agreed value of any one aircraft hereon not being exceeded of US\$[our broker will not include any amount but they will confirm that engine gross up language is included in the slip.]. It is further agreed that underwriters will retain rights of salvage to the replaced engine in the event of the Total Loss of the aircraft.

The Policies are subject to the War, Hijacking and Other Perils Exclusion Clause (Aviation) AVN48B.

2. AIRCRAFT SPARES:

Policies Limit of US\$[50,000,000 for any one occurrence, but USD 30,000,000 for any one item] per location, per occurrence. Covering the spares property of the original Assured or for which the original Assured is responsible including which in the care custody and control of others and while engine testing against direct risk of physical loss or damage at all time while on the ground or in transit by whatever means. Coverage is subject to deductibles in respect of all losses of US\$ 100,000 each and every loss, with respect of engines running the equivalent minimum hull deductible to apply.

50/50 PROVISIONAL CLAIMS SETTLEMENT

The Hull All Risks, Spares and FAA Hull War Risks Insurances are arranged separately and each contain a 50/50 provisional claims settlement clause.

3. HULL DEDUCTIBLE INSURANCE:

Whereas the Assured has in force a Hull All Risk Policy covering aircraft owned and/or operated by the Assured and whereas this policy contains a provision for flight and/or taxiing and/or ingestion and/or ground deductibles, excluding total and/or

constructive and/or arranged total loss with respects to the insured Equipment identified herein, this Policy will indemnify the Assured US\$[] each and every loss in excess of US\$100,000 each and every loss subject to one deductible any one occurrence. Coverage applies to spare engines while test run. Policy Aggregate limit \$1,000,000 [].

Note: The policy annual aggregate limit may be reduced or exhausted by virtue of any claims made under the policy.

4. LIABILITIES:

Covering the Assured's and each Additional Insured's legal liability for Bodily Injury and Property Damage arising from aviation operations including aircraft third party, passenger, passenger baggage, cargo, mail and aviation general third party legal liability, including premises, hangarkeepers and products liability. Primary policy also contains AVN48B and AVN52E; Coverage provided hereunder complies with the requirements of AVN57C (Canada) and DOT requirements.

The Limit of Liability - a Combined Single Limit (bodily injury/property damage) of US\$ 1,000,000,000. (US\$ One Billion) for any one occurrence/each aircraft and in the aggregate in respect of products liability. Personal Injury Liability is limited to US\$25,000,000 each offense/annual aggregate.

The above policies are subject to the Date Change Recognition Exclusion Clause AVN2000A with Date Recognition Limited coverage Clauses AVN2001A and AVN2002A.

5. HULL WAR RISK AND APPLIED PERILS

Airline Finance/Lease Contract Endorsement

It is further certified that the Policies have been endorsed as follows

It is noted that the Contract Party(ies) have an interest in respect of the Equipment under the contract(s). Accordingly, with respect to losses occurring during the period from the Effective Date until the expiry of the Insurance or until the expiry or agreed termination of the Contracts(s) or until the obligations under the Contract(s) are terminated by any action of the Assured or the Contract Party(ies), whichever shall first occur, in respect of the said interest of the Contract Party(ies) and in consideration of the Additional Premium it is confirmed that the Insurance afforded by the Policy is in full force and effect and it is further agreed that the following provisions are specifically endorsed to the Policy:

1. UNDER THE HULL, WAR RISK AND AIRCRAFT SPARES INSURANCE

- 1.1 In respect of any claim on Equipment that becomes payable on the basis of a Total Loss, settlement (net of any relevant Policy Deductible) shall be made to, or to the order of the Lessor, as sole loss payee. In respect of any other claim, settlement (net of any relevant policy deductible) shall be made with such party(ies) as may be necessary to repair the Equipment unless otherwise agreed after consultation between the Insurers and the Lessor. Such payments shall only be made provided they are in compliance with all applicable laws and regulations.
- 1.2 Insurers shall be entitled to the benefit of salvage in respect of any property for which a claims settlement has been made.

2. UNDER THE LEGAL LIABILITY INSURANCE

- 2.1 Subject to the provisions of this Endorsement, the Insurance will operate in all respects as if a separate Policy had been issued covering each party insured hereunder, but this provision will not operate to include any claim arising howsoever in respect of loss or damage to the Aircraft insured under the Hull Insurance of the Assured. Notwithstanding the foregoing total liability of Insurers in respect of any and all Insureds will not exceed the limits of liability stated in the Policy.
- 2.2 Insurance provided hereunder will be primary and without right of contribution from any other insurance which may be available to Contract Parties.
- 2.3 This Endorsement does not provide coverage for the contract party(ies) with respect to claims arising out of their legal liability as manufacturer, repairer, or servicing agent of the Equipment

3. UNDER ALL INSURANCES

- 3.1 The Contract Parties are included as Additional Insured(s).
- 3.2 The cover afforded to each Contract party by the Policy in accordance with this Endorsement shall not be invalidated by any act or omission (including misrepresentative and non-disclosure) of any other person or party which results in a



breach of any term, condition or warranty of the Policy PROVIDED THAT the Contract Party so protected has not caused, contributed to or knowingly condoned the said act or omission.

- 3.3 The provisions of this Endorsement apply to the Contract Parties solely in their capacity as financier(s)/lessor(s) in the identified Contract(s) and not in any other capacity. Knowledge that any Contract Party may have or acquire or actions that it may take or fail to take in that other capacity (pursuant to any other contract or otherwise) shall not be considered as invalidating the cover afforded by this Endorsement.
- 3.4 The Contract Parties shall have no responsibility for premium and Insurers shall waive any right of set-off or counter claim against the Contract Parties except in respect of outstanding premium in respect of the Equipment.
- 3.5 Upon payment of any loss or claim to or on behalf of any Contract Party(ies), Insurers shall to the extent and in respect of such payment be thereupon subrogated to all legal and equitable rights of the Contract Party indemnified hereby (but not against any Contract Party). Insurers shall not exercise such rights without the consent of those indemnified, such consent not to be unreasonable withheld. At the expense of Insurers such Contract Parties shall do all things reasonably necessary to assist the Insurers to exercise said rights.
- 3.6 Except in respect of any provision for cancellation or automatic termination specified in the Policy or any endorsement thereof, cover provided by this Endorsement may only be cancelled or materially altered in a manner adverse to the Contract Parties by the giving of not less than thirty (30) days notice in writing, ten (10) days for non payment of premium, seven (7) days, or such lesser period as may be customarily available for war risks and allied perils coverage) to the Appointed Broker. Notice shall be deemed to commence from the date such notice is given by the Insurers. Such notice will NOT, however, be given at normal expiry date of the Policy or any endorsement.

EXCEPT AS SPECIFICALLY VARIED OR PROVIDED BY THE TERMS OF THIS ENDORSEMENT:-

1. THE CONTRACT PARTY(IES) ARE COVERED BY THE POLICY SUBJECT TO ALL TERMS, CONDITIONS, LIMITATIONS, WARRANTIES, EXCLUSIONS AND CANCELLATION PROVISIONS THEREOF.
2. THE POLICY SHALL NOT BE VARIED BY ANY PROVISIONS CONTAINED IN THE CONTRACT(S) WHICH PURPORT TO SERVE AS AN ENDORSEMENT OR AMENDMENT TO THE POLICY.

SCHEDULE IDENTIFYING TERMS USED IN THIS ENDORSEMENT

- | | |
|---|---|
| 1. Equipment: | ---BOEING B777-200ER
Registration SU-----
Incorporating two PW engines
with -319 passenger seats. |
| 2. Policy Deductible
applicable to physical
damage to the equipment | (a) Hull All Risks Coverage-
US\$[] each and every claim each aircraft
excluding total loss/constructive total loss/
arranged total loss but reduced to US\$[] after the
application of Deductible Insurance.
US\$[] Policy Aggregate for Deductible Insurance
only. |

Contract Party(ies): Egyptair Holding Company
Biman Airlines, Lessee

Each of the Contract Party(ies), and each of their respective successors, and assigns, shareholders, subsidiaries, affiliates, partners, contractors, directors, officers, servants, agents and employees.

4. Contract(s):

Aircraft Lease Agreement dated as of _____ between Lessor and Lessee.

5. Effective Date: 12:01 AM [] or actual date of delivery to the Named Insured

6. Appointed Broker: Marsh, ENGLAND

Subject to the terms, conditions, limitations, exclusions and cancellation provisions of the relative Policies numbered [].



The subscribing insurers' obligations under contracts of insurance to which they subscribe are several and not joint and are limited solely to the extent of their individual subscriptions. The subscribing insurers are not responsible for the subscription of any co-subscribing insurer who for any reason does not satisfy all or part of its obligations.

Dated in [] on behalf of Underwriters/Insurers

[]

EXHIBIT C
FORM OF INSURANCE BROKER'S LETTER

To: Egyptair Holding Company
BIMAN Airlines , Lessee

[_____]

Our Ref: Insurance coverage for one BOEING 777-200ER Aircraft under Lease Agreement dated as of _____
between BIMAN Airlines as Lessee and Egyptair Holding Company as Lessor
Manufacturer's Serial Number: -----
Registration Mark: SU-----

We confirm that insurance has been effected for the account of BIMAN Airlines , Lessee (the "Lessee") covering aircraft owned, leased, or operated by them, including the above-referenced aircraft (the "Aircraft").

Pursuant to instructions received from the Lessee and in consideration of your approving the arrangement of the Lessee's "Fleet Policy" (under which the above-referenced Aircraft is insured) through the intermediary of ourselves as Brokers in connection with the insurance (the "Insurance") mentioned in our Certificate of Insurance Reference No. [_____] and attached hereto we undertake as follows:

1. In relation to the Hull and War Risks Insurance to hold to your order, in accordance with the terms of the insurance, the Insurance Slips or Contracts and any Policies which may be issued or any policies substituted (with your consent) therefore (but only insofar as the same relate to the Aircraft only) and the benefit of the Hull and War Risks Insurance thereunder, but subject to our requirements to operate the Fleet Policy insofar as it relates to any other aircraft insured thereunder.
2. To advise you of any of the following:
 - (a) Of the receipt by us from insurers of any notice of cancellation or material change in the insurances.
 - (b) If we do not receive instructions to renew the Insurance at least thirty (30) days prior to expiration.
 - (c) If any of the Insurances are not renewed on the same terms (save as to premium and period of cover and as you might otherwise have notified us to be acceptable to you) fourteen (14) days prior to expiry thereof.

The above undertakings are given subject to our continuing appointment for the time being as Insurance Brokers to the Operator

We also undertake to advise you if we cease to be Insurance Brokers to the Operator.

Yours faithfully,

[_____]

EXHIBIT D
FORM OF AIRCRAFT STATUS REPORT

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MONTHLY REPORT

CALENDAR MONTH ENDING

AIRCRAFT S/N		TYPE	B777-200ER	REG	SU---
--------------	--	------	------------	-----	-------

TOTAL FLIGHT HOURS		FLT.HOURS FOR MONTH	
TOTAL CYCLES		CYCLES FOR MONTH	

DELIVERED ENGINES ONLY	APU
------------------------	-----

ENGINE 1		ENGINE 2		S/N	
S/N		S/N		[MSN]	
<u>TOTAL FLIGHT HRS</u>		<u>TOTAL</u>		<u>TOTAL APU HOURS</u>	
<u>TOTAL CYCLES</u>				<u>APU HOURS FOR</u>	
	<u>FLIGHT HRS FOR MONTH</u>				
	<u>CYCLES FOR MONTH</u>				
	<u>CURRENT LOCATION</u>				

REMOVAL		INSTALLATION	
ENGINE S/N		ENGINE S/N	
AIRCRAFT S/N		AIRCRAFT S/N	
POSITION		POSITION	

<u>REMOVAL DATE</u>		<u>INSTALL DATE</u>			
<u>TOTAL HRS @REMV</u>		<u>TOTAL HRS @INST</u>			
<u>TOTAL CYC @REMV</u>		<u>TOTAL CYC @INST</u>			
<u>REASON FOR REMOVAL</u>					
<u>REPAIR AGENT</u>					
<u>LOCATION</u>					
<u>WORKSCOPE</u>					

EXHIBIT E
CONFIDENTIAL ECONOMIC TERMS

“Damage Notice Threshold” means US\$100,000

“Rent—Periodic Amount” means US\$ 585,000

“Stipulated Deductible Amount” means US\$ 100,000.

“Stipulated Liability Coverage” means US\$ 1,000,000,000 for any occurrence (USD 500,000,000 in respect of airlines general third party liability).

“Stipulated Loss Value” means US\$55,000,000

Maintenance Reserve Amounts at a minimum of 250 Flying Hours per Month at a flight hours to cycle ratio of 4/1.

“Reserve Amount – APU” means \$ 40 per flight hour.

“Reserve Amount – Airframe Heavy Check” means \$ 59.0 per flight hour.

“Cabin Refurbishment [US\$ 22.00/FH].

“Reserve Amount – Engine Refurbishment means \$537 per flight hour. Per both engine cycle based on 4/1 hours to cycle ratio.

“Reserve Amount – Engine LLP means \$533 per flight hour. Per both engine cycle based on 4/1 hours to cycle ratio.

“Reserve Amount – Landing Gear” means \$39.0 per flight hour.

“Reserve Amount – Thrust Reverser” means \$25 per flight hour.

Maintenance Reserve Amount Total \$1255 per Flight Hour at 4/1FH/FC Ratio

Exhibit F

DOCUMENTS

Lessor shall provide the following documents at the time of aircraft delivery:

- i. Standard package of technical documentation for normal airline flight operations and maintenance planning (hard copies and CD)
- ii. Component list of life controlled items
- iii. MPD, MMEL, MEL, CDL, Weight & Balance Manual, Interior Drawings/ LOPA
- iv. CMMs of BFE equipment such as Galleys, Passenger Seats, Impact activated ELTs
- v. Database for DFDR recorded parameters, etc.
- vi. Flight Safety Manual, Flight Safety Equipment List, their description and layout diagrams
- vii. Aircraft major repair data history
- viii. External Repairs and Damage Report (Repair Mapping/Charts)
- ix. Updated list of ADs and SBs incorporated on aircraft with Statement that no AD/mandatory SB would be due within the 12 months beginning lease
- x. **Complete Engine Records including:**
 - LLP Listing and Back-to-Birth History (upto zero document)
 - Updated AD/SB Listing with Statement that no AD/mandatory SB would be due within the 12 months beginning lease
 - Last 2 Shop Visit Report (if applicable)
 - Log Book
 - Updated Engine Accessory List (Time/Cycles for reasonable numbers)
- xi. **Complete APU Records including:**
 - LLP Listing and Back-to-Birth History (upto zero document)
 - Updated AD/SB Listing with Statement that no AD/mandatory SB would be due within the 12 months beginning of lease.
 - Last 2 Shop Visit Report (if applicable)
 - Log Book
 - Updated Engine Accessory List (Time/Cycles for reasonable numbers)
- xii. **Landing Gear Records:**
 - LLP Listing and Back-to-Birth (upto zero document)
 - Updated AD/SB Listing with Statement that no AD/mandatory SB would be due within the 12 months beginning of lease.
 - Last 2 Shop Visit Report (if applicable)
- xiii. DFDR data printouts in engineering units and raw data in electronic form of the test flight data for the last 'C' check at the beginning of Dry Lease period.
- xiv. Powerplant IPC-2 Hardcopies and 2 CD
- xv. Powerplant Shop Manual-2 Hardcopies and 2 CD
- xvi. Powerplant build up Manual-2 Hardcopies and 2 CD
- xvii. 2 copies of any other publications relevant to the engines
- xviii. Flight data parameter library document
- xix. ETOPS documentation
- xx. **Certificates required:**
 - Export Certificate of Airworthiness
 - RVSM State approval
 - CAT-II / IIIa operational approval
 - PRNAV / RNP1 State approval
 - Weight & Balance Report
 - Cabin Materials Burn Certificates
 - Statement of Fire Blocking Requirements
- xxi. **Flight Operations Manual:**
 - Operations Manual (Part A, B, C & D)
 - MEL
 - AFM
 - QRH
 - FCOM

- FCTM
- Weight & Balance Manual
- ETOPS/MNPS/RVSM/RNP Manuals
- DDG

xxii. Aircraft Performance Factor/Degradation Factor

xxiii. Weight & Balance Document:

- Aircraft latest Weighing Report
- AHM 560 Data required for computerized load and trim sheet
- Load and Trim Sheet
- Load Sheet and Load Message
- Loading Instruction Form/Report

xxiv. Training required for load controller/Trim man for preparation of Load and Trim Sheet

xxv.

- Valid Certificate of Airworthiness,
- Valid Certificate of Insurance,
- Valid Certificate of Maintenance (Maintenance Release to Service),
- Radio Station License,
- Aircraft Noise Certificate,
- Type Certificate and Type Certificate Data Sheet,
- Certificate regarding ownership of the aircraft duly notarized,
- Owner's authorization/mandate in owner's letterhead for leasing the aircraft to Biman (applicable if the bidders is not the owner of the offered aircraft),
- Airworthiness Directive Compliance Report,
- Brief Maintenance Activities for the last 12 (twelve) months,
- Maintenance Check-Cycle interval,
- Any other documents as may be required by the Civil Aviation Authority of Bangladesh (CAAB) and other Civil Aviation Authorities concerned.

Exhibit G

Supplement Rent – Hours /Cycle Adjustment

Sector Length	Eng Factor	Airframe Factor
2	1.4	1.3
2.5	1.35	1.25
3	1.3	1.2
3.5	1.2	1.1
4	1	1
4.5	0.98	0.95
5	0.95	0.92
5.5	0.92	0.9
6	0.9	0.88
6.5	0.85	0.85
7	0.82	0.82

Exhibit H
Catering Equipments

S/N	Equip / Insert	01 Ship Set	Required 02 Ship Set	Remarks
01	Full Meal Trolley / cart	33	66	02 Ship set per A/C
02	Half Meal Trolley / cart	03	06	02 Ship set per A/C
03	Plastic Drawer	66	66	01 Ship Set per A/C
04	Waste Cart	01	02	02 Ship set per A/C
05	Oven Insert with Skid	14	28	02 Ship set per A/C
06	Std Unit	35	35	02 Ship set per A/C

N.B One Oven contains 09 Skids.



Exhibit I
Legal Documents

1. Letter to the Civil Aviation of Bangladesh from Biman giving EGYPTAIR the right to issue a statement of all sums due on the aircraft.
2. Letter to the Euro-control from Biman giving EGYPTAIR the right to issue a statement of all sums due on the aircraft if applicable.
3. Notarized and legalized De-registration Power of Attorney on behalf of Biman in favor of EGYPTAIR to de-register the aircraft .
4. A stamped copy of the resolution of the Board of Directors approving the transaction.
5. A letter issued from the Civil Aviation Authority of Bangladesh recognizing that EGYPTAIR is the owner of the aircraft and no interest of whatever kind or nature will be imposed on the Aircraft.
6. A legal opinion from Biman in-house head of legal in the form attached.