ANNEX 4 TO

MEMORANDUM OF AGREEMENT NAT-I-845

BETWEEN THE

THE AMERICAN INSTITUTE IN TAIWAN

AND

THE COORDINATION COUNCIL FOR NORTH AMERICAN AFFAIRS

ARTICLE I - PURPOSE OF THE ANNEX

This Annex identifies and defines the supply support services the American Institute in Taiwan (AIT) is in a position to furnish directly or by contract which the Coordination Council for North American Affairs (CCNAA) requires and has determined said services should be obtained from the AIT. This Annex replaces Annex 4 to NAT-I-845 dated November 8, 1982.

ARTICLE II - DESCRIPTION OF SERVICES

The AIT will furnish to the CCNAA parts peculiar and repair services for air navigation systems and equipment provided that like systems and equipment remain an active part of the Federal Aviation Administration (FAA) National Airspace System.

ARTICLE III - DEFINITIONS

The term "parts peculiar" is defined as "parts specifically made for the equipment and not readily available on the open market". The term "furnish" is defined as "supply from FAA stock for air navigation equipment which is common to and currently in the U.S. National Airspace System, if available and without

jeopardizing FAA operations". Repair services are intended for that which is beyond the capabilities of in-country repair.

ARTICLE IV - REQUISITIONING PROCEDURES

The initial point of contact for obtaining detailed procedures for supply support services from the FAA shall be:

FAA Mike Monroney Aeronautical Center FAA Logistics Center, ATTN: AAC-481 P.O. Box 25082 Oklahoma City, Oklahoma 73125-4959

Telephone: (405) 680-4623 Facsimile: (405) 680-4840

Telex: 747190 AFTN: KOEXYAYX

ARTICLE V - SPECIAL CONDITIONS

- A. The total value of the materiel to be procured from the AIT under this Annex may not exceed \$200,000 per year. This limitation does not include the packing or shipping charges or administrative charges.
- B. Provision of supply support services is dependent upon the continued unavailability on the open market of those parts which are peculiar to the systems and equipment in question. Furthermore, these services are provided only while such systems and equipment remain an active part of FAA's National Airspace System.

- C. The CCNAA will be responsible for securing any licenses or other documents required to permit the items furnished under this Annex to leave the United States and enter another country. Also, the CCNAA shall be responsible for securing any licenses or other documents required to permit the Repair and Return (R&R) articles leaving another country to enter the United States.
- D. The AIT will send to the CCNAA appropriate shipping documents. Shipment is to be in accordance with the method requested by the CCNAA. Shipping costs will be paid by the AIT from the point of origin to the specified destination. The cost reflected on the shipping document is only a material cost and does not represent the total cost.
- E. Items ordered under this Annex shall be shipped to locations identified in subsequent documentation.
- F. The AIT will not be liable for loss or damage to materiel while in transit to or from the AIT contractor's facilities. The CCNAA will reimburse the AIT for any loss or damage to such materiel while in transit.

ARTICLE VI - FINANCIAL PROVISIONS

A. The CCNAA shall reimburse the AIT for the actual cost of services, materiel, packing and shipping, plus an administrative overhead charge. AIT bills will be provided on a quarterly

basis, will contain a reference to the Annex number NAT-I-845-4 (which is the Annex number assigned to identify this project and shall be referred to in all related correspondence), and will be supported with an appropriate summary of charges (i.e., type of service, requisition number, packing, shipping and related costs). Supporting records shall be available for review upon request.

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- B. The CCNAA will be responsible for all transportation costs, including shipping charges, for items sent to the FAA Logistics Center.
- C. The CCNAA shall be responsible for paying any bank charges, handling charges or other banking fees.
- D. AIT will render financial statements and consult on related financial matters with the office indicated in paragraph C, Article III of the basic Agreement (NAT-I-845). Payment of bills is due within sixty (60) days from date of billing. Payments are to be made in U.S. dollars and forwarded to the AIT at the following address:

American Institute in Taiwan 1700 North Moore Street - 17th Floor Arlington, Virginia 22209

- E. In the event that payment is not made within sixty (60) days from the date of billing, U.S. Treasury Department regulations prescribe and require the AIT to assess late payment charges, i.e., interest, penalty, and administrative handling charges, in subsequent billings. These late charges will be assessed for each additional thirty (30) day period, or portion thereof, that payment is not received.
- F. Repair and Return (R&R) services shall be billed at actual repair costs, logistics management costs and transportation costs.

ARTICLE VII - AMENDMENTS

This Annex may be amended in accordance with Article V of the basic Agreement (NAT-I-845).

ARTICLE VIII - EFFECTIVE DATE AND TERMINATION

This Annex shall become effective upon signature of both parties and will remain in effect until terminated or such time as the basic Agreement (NAT-I-845) expires or is terminated. Either party may terminate this Annex as provided for in Article VI of the basic Agreement (NAT-I-845).

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ARTICLE IX - AUTHORITY

The AIT and the CCNAA agree to the provisions of this Annex as indicated by the signature of their duly authorized representatives.

THE AMERICAN INSTITUTE IN TAIWAN

TITLE: Deputy Managing Director

DATE: February 1/1992

THE COORDINATION COUNCIL

BY: Sin /Sun Usin

TITLE: A eputy Cepresentative

DATE: Spril 8, 1992