

APPENDIX 1 TO  
ANNEX 4 TO  
MEMORANDUM OF AGREEMENT  
NAT-I-845  
BETWEEN  
THE AMERICAN INSTITUTE IN TAIWAN  
AND THE  
TAIPEI ECONOMIC AND CULTURAL REPRESENTATIVE OFFICE  
IN THE UNITED STATES  
SUPPLY SUPPORT ARRANGEMENT

**ARTICLE I—PURPOSE**

This Appendix to Annex 4 to Memorandum of Agreement NAT-I-845 (the Agreement) sets forth the terms and conditions under which the American Institute in Taiwan (AIT), through its designated representative, the Federal Aviation Administration (FAA), shall furnish parts peculiar and repair services for air navigation systems and equipment through the Taipei Economic and Cultural Representative Office in the United States (TECRO) to TECRO's designated representative, the Civil Aeronautics Administration (CAA).

**ARTICLE II—DESCRIPTION OF SERVICES**

A. AIT, through its designated representative the FAA, may provide a spare rotary joint for the ASR-9 radar system to TECRO's designated representative, the CAA, through TECRO.

B. The provision of a spare rotary joint by AIT's designated representative, the FAA, will be accomplished on an Exchange and Repair (E&R) basis. AIT will require that its designated representative, the FAA, agrees to ship a serviceable off-the-shelf rotary joint from its existing inventory to TECRO's designated representative, the CAA. In exchange, and within ninety (90) days of receipt of the spare rotary joint, TECRO, through its designated representative, the CAA, will send AIT's designated representative, the FAA, its disabled rotary joint. Failure to comply with this 90-day provision will result in TECRO's designated representative being charged a higher retail charge. AIT's designated representative, the FAA, will inspect the part, repair the part, and return it to the FAA inventory.

C. The Logistics Center of AIT's designated representative, the FAA, shall provide to TECRO's designated representative, the CAA, supply support to include: parts, shipping, labor, and/or other services as requested by the international customer, based upon the FAA Logistic Center's capability to support Taiwan's Navigation, Communications, Automation, and/or RADAR systems and other miscellaneous aviation support equipment. These services will be provided on a reimbursable basis, provided that the FAA Logistics Center has available the personnel, technical resources, and material resources to fulfill the request. Parts and services will be provided by the FAA Logistics Center so long as extending support to TECRO's designated representative, the CAA, does not compromise or jeopardize logistics support of the United States National Airspace System.

### **ARTICLE III—FINANCIAL PROVISIONS**

A. Compensation for services shall be provided to AIT for transfer to the FAA via prepaid funds, based on the best current estimate for material costs, shipping, and the standard administrative overhead charge. If the actual costs to provide the products/services are more than indicated on the initial prepayment estimate, the CAA through AIT will be billed for the difference. If actual costs are less than indicated on the prepayment invoice, the CAA may request through AIT a refund in writing, or apply the difference to a subsequent request or order from the FAA Logistics Center.

B. TECRO shall transfer to AIT all reimbursements from its designated representative, the CAA for all costs incurred by AIT's designated representative, the FAA, in providing E&R services under this Appendix and an administrative overhead charge. TECRO agrees that in the event of a termination by either party under Article VI, TECRO's designated representative, the CAA, shall pay through AIT all costs incurred by the FAA for services provided to its designated representative, the CAA, prior to the date of such termination.

C. The estimated cost for services rendered under this Appendix is seventy-eight thousand one hundred forty-seven U.S. dollars and thirty-five cents (US\$78,147.35), which includes the base cost of the new serviceable rotary joint, shipment, support from AIT's designated representative, the FAA, and an administrative overhead charge.

1. TECRO will require that its designated representative, the CAA, shall pay through AIT to the FAA the estimated cost of the services in accordance with Article VI of the Agreement.

2. AIT's designated representative, the FAA, will ship the new serviceable rotary joint as soon as AIT's designated representative, the FAA, receives full payment. TECRO will require that its designated representative, the CAA, shall pay through AIT any such statement of account.

D. AIT statements of account shall contain a reference to agreement number NAT-I-845-4-1 and billing number NB9518TW8 (which are the numbers assigned to identify this Appendix and which shall be referred to in all related correspondence), and shall be supported with a summary of charges. All AIT bills will be forwarded to TECRO at:

Taipei Economic and Cultural Representative Office  
4201 Wisconsin Avenue, NW  
Washington, D.C. 20016-2137

E. TECRO will pay all bills in accordance with Article VI of Annex 4 of the Agreement. Payments will be forwarded to AIT at the following address:

American Institute in Taiwan  
Attn: Barbara Schrage  
Managing Director  
1700 N. Moore Street, Suite 1700  
Arlington, VA 22209

#### **ARTICLE IV—ENTRY INTO FORCE AND TERMINATION**

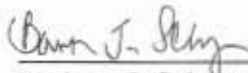
This Appendix shall enter into force on the date of the last signature and shall remain in force until the services described herein are completed, unless this Appendix is terminated in accordance with Article VI of the Agreement.

**ARTICLE V—AUTHORITY**

AIT and TECRO agree to the provisions of this Appendix as indicated by the signature of their duly authorized representatives.

AMERICAN INSTITUTE IN TAIWAN

TAIPEI ECONOMIC AND CULTURAL  
REPRESENTATIVE OFFICE  
IN THE UNITED STATES

BY:   
Barbara J. Schrage

BY: 

TITLE: Managing Director

TITLE: Deputy Representative

DATE: 6/17/09

DATE: June 18, 2009

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TAIPEI ECONOMIC AND CULTURAL  
REPRESENTATIVE OFFICE  
IN THE UNITED STATES

AMERICAN INSTITUTE IN TAIWAN

BY: *J. J. Chang*

BY: *Barbara J. Schrage*  
Barbara J. Schrage

TITLE: *Deputy Representative*

TITLE: Managing Director

DATE: *June 18, 2009*

DATE: *6/17/09*