

Honeywell Aerospace
Commercial Aviation

Issue Date: 01/01/2021
Effective Date: 01/01/2021 - Until Further Notice

ATTENTION: All Honeywell Engine & Auxiliary Power Unit (APU) Operators and Authorized Service Centers regarding CFE738, HTF, HTS900, TFE731, TPE331 & Auxiliary Power Units (APUs).

SUBJECT: Rental Engine and APU Program Requirements; Rental Rates

The contact information for the Honeywell Engine Rental Bank is EngineRentals@Honeywell.com or call USA 1-800-601-3099 / International 1-602-365-3099. Europe, Middle-East, Africa and India customers are recommended to contact EngineRentals@Honeywell.com or +1 800 601 3099 and follow the phone prompts to the Engine Rental Bank (option 1 then option 4).

A. ENGINE RENTAL POLICY & PRICING

GENERAL ENGINE RENTAL POLICY

1. Operator / Service Center Notes:

- **Business & General Aviation Operator Notes:** Rental assets are made available to Business and General Aviation (BGA) Operators through Honeywell authorized Service Center channel partners. In the interest of asset liability, safety, and approved capabilities, rental requests for BGA Operators will require utilization of a Honeywell authorized Service Center only.
- **Business & General Aviation Service Center Notes:** Rental assets are made available to Honeywell's Service Center channel partners to support Operator needs and their Service Center selection. Honeywell owns final allocation of all rental assets. As such, rental availability should, in no way, be used as a service differentiator. Honeywell requires a purchase order from the Service Center installing the rental engine or APU.
- **Air Transport & Regional Operator Notes:** Rental assets are made available to air transport and regional (ATR) Operators with the understanding that Operators are properly qualified, under their operating certificate, to remove and install Honeywell equipment. Honeywell will require all documentation prior to shipment. Upon removal of a rental asset, the APU logbook must be updated with removal date, TSN, CSN, and reason for removal.

2. Requirements/Obligations:

As a condition of renting an engine or APU, the following documents are required to be submitted in electronic form to EngineRentals@Honeywell.com. These documents can be found via the link below: <https://aerospace.honeywell.com/en/services/aerospace-services/engine-rental-bank>

- Purchase Order - PO - Honeywell requires a Purchase Order and Rental Worksheet from the Authorized Service Center (BGA) or operator (ATR) prior to shipment of the engine or APU from storage to the installation location.
 - The BGA General Terms Agreement (GTA) and Mechanical Service Center Authorization (MSCA) terms and conditions will apply to the Purchase Order.
- Bailment Agreement - A current Honeywell or CFE Company Equipment Bailment Agreement must be fully completed and signed by the Operator and Authorized Service center (when applicable) in strict accordance to its terms without any modifications, and returned to the Honeywell Engine Rental Bank prior to shipment of the engine or APU from storage to the installation location. Electronic signatures are acceptable and available. Bailment agreements are sent in PDF format for signature & no modifications are permitted.
 - Rentals are to be used exclusively to support the end user serial number (SN) listed on the bailment. For other end user SN support, different from the one stated on bailment, removals are required to close current rental event. New paperwork, PO, COI and bailment are required and approval from Honeywell ERB prior to installing our rentals for new rental event.
 - Failure to provide new paperwork or gain approval from Honeywell prior to installing on a new A/C or in support of another customer serial number then the PO will be charged 2X the current daily published rate until paperwork and approval is gained.
 - If rental is requested and shipped but not installed within 7 days. Then standard rental fees apply no matter if on MSP or CSP contract. Rentals are not to be held on site without being flown even if customer unit is still in repair. Knowledge of rentals being requested and stored on customer site will result in rental fees, late fees, shipping fees and recertification fees invoiced to the PO and at the operators' responsibility.
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- Certificate of Insurance - COI (BGA only) - The Bailment Agreement requires Operator's insurance carrier to provide evidence of liability and property loss coverage in the amounts specified in the Bailment Agreement and this insurance verification document is to be provided to the Honeywell Engine Rental Bank in the form of an acceptable Certificate of Insurance (COI). Honeywell will only accept a COI that is in the English language. An engine or APU can be shipped to the installation location while waiting for the COI from the Operator but the COI must be delivered to Honeywell prior to aircraft departure. If the insured period is close to expiring, or becomes expired while rental is installed, it is the responsibility of the service center to acquire a valid COI or Honeywell has the right to request the rental to be uninstalled. As set forth in the Mechanical Service Center Authorization (MSCA), the Service Center is liable for the value of the authorized equipment, damage, or any other loss during shipment. The Certificate of Insurance requirements can be found on the portal. <https://aerospace.honeywell.com/en/services/aerospace-services/engine-rental-bank>
- Reservations: Honeywell only holds a bank rental unit for a maximum of two (2) weeks.
- Shipping: The Operator shall be responsible for all transportation charges involved in the rental event unless covered by a contractual program that specifically calls out alternative treatment, such as MSP Gold or CSP Gold. Shipments of rented Honeywell assets should be coordinated through Honeywell and failure to do so will result in additional charges or delays. MSP, CSP, FMP, MCAP, MSA, NTE and ISS customers should note that terms and conditions related to rental engine or APU specified in their maintenance agreements take precedence but do not modify the terms and conditions of the Bailment Agreement.

- Pricing referenced therein will apply for events not supported under contract. Questions related to maintenance agreements should be directed to the appropriate Honeywell Contract Manager.
- Honeywell holds the right to refuse shipment until all documents are received. BGA engines & APUs must be installed and removed by a Honeywell Authorized Service Center.
- If an operator or service center becomes blocked or otherwise disbarred pursuant to a US government enforcement action, HON may pursue appropriate recourse.

NOTE: Due to product liability risk, Honeywell reserves the right to recall the rental engine or APU and/or if the aircraft is released prior to the return of these documents, Honeywell will invoice a fee of \$1000.00 per document per day until all documents are received.

3. BGA Rental Charge Computation

- Rental fee charges will begin according to the **Commencing Date** stated on the bailment. The Commencing Date is intended to be the requested delivery date of the rental Engine or APU.
- Rental fee or **Extended Usage Fee** (EUF) are computed based on the customer unit repair completion date and the actual rental removal date. If an Operator continues to maintain possession of the rental engine or APU, past the contracted term, either installed or not, regardless of the return of the Operator's own engine or APU, the Daily Late Return Fee or Extended Usage fee will be assessed in addition to the rental calculations until the engine or APU is returned.
- Rental charges are computed by multiplying the number of hours utilized by the hourly fee rate for the duration of the rental period, except as modified below.
- If the **Minimum Fee** is not exceeded in the rental period, the Minimum Fee is applicable.
- BGA Operator engines or APUs repaired at non-authorized Honeywell Service Centers that are supported by a rental asset will be subject to a fifty percent (50%) premium above the contracted rental rate.
- **Concessions:** Honeywell will not reduce rental fees or provide any other price concession not specifically stated in a contract between Honeywell and the Operator or Authorized Service Center.
- **Scheduling:** Honeywell requests a minimum of two (2) weeks' notice for scheduled maintenance event to assure rental support without delay or extra shipping charges.
- **Delays in Customer Repairs:** Any required documentation and approval to proceed with repairs does not exceed 3 days and return policy is adhered to (see Extended Usage Fees above)

4. Rental Return to Service Delay Charge:

All engine or APUs must be returned to an Authorized Service Center or Honeywell Repair Facility with all parts and operating information intact in the original configuration supplied and in the original Honeywell container provided. Parts are not to be removed or exchanged without authorization from the Engine Rental Bank. Any engine or APU returned for post-rental inspection that is missing parts, updated logbooks, missing the Honeywell storage container or complete removal information that will delay the "return to service" of that engine or APU will be subject to a \$2000.00 per day "Return to Service Delay Charge", each 10 days of delay starting on the day the engine or APU was received at the Authorized Service Center or Honeywell Repair Facility.

- If any parts are discovered missing on the Honeywell rental asset, please notify EngineRentals@Honeywell.com
- The missing parts must be forwarded within ten (10) business days from the date of notification to avoid additional charges. Parts received after ten (10) business days will be subject to Replacement Cost and immediate billing at full list price.
- Information (log book or other missing information) not received after ten (10) business days will be subject to additional fees equal to the cost Honeywell incurs to obtain information or replacement documents and parts. Return to Service Delay Charges will not be covered by contractual maintenance agreements.

5. Extended Usage Fee (EUF):

The prompt return of the rental engine or APU is required and the application of the Extended Usage Fee (EUF) will be enforced. For the overall benefit of all Operators, the Extended Usage fee will be administered as follows:

- Extended Usage fees will become effective beginning on the sixteenth (16th) calendar day after the Operator's engine or APU repair is completed. EUF are in addition to current applicable rental rates.
- If Operator's engine or APU is ready for reinstallation in United States of America and shipped outside of the continental United States of America, Extended Usage fees will become effective beginning on the twenty-second (22nd) calendar day. The same grace period will be provided to engines shipping to different regions; the Americas to Europe, Middle East, and North Africa, or to Asia Pacific and vice versa. For shipments within European Union member countries, the 15-day requirement stands and Extended Usage Fees will be applicable on the 16th day.
- The time measurement begins the day the Operator engine repair completes and ends the day before the rental engine is removed.
- BGA Only:
 - Extended Usage Fee (EUF) are in addition to the daily rate (where applicable)
 - Extended Usage Fee (EUF) are not covered by MSP
- ATR Only:
 - When the customer repair is performed at a Honeywell repair site, Extended Usage Fee (EUF) begin the 16th or 22nd day, as described above, after the customer unit is made serviceable (shipped or not), and are re-billed every consecutive thirty (30) days after the first EUF charge until returned. The EUF fee will be the Out of Network pricing.
 - When the customer repair is performed at a non-Honeywell site, there are no Extended Usage Fees (EUF) as the Operator is billed monthly at the Network Partner or Out of Network Partner rates.
 - The rental is required to be returned to Honeywell within ten (10) days after removal to avoid being charged Out of Network Partner fees.

Note: Operator repair completion date is required within 24 hours of removal of the rental engine or APU. A Rental is considered rented, with all applicable fees, until removal paperwork is provided.

The above terms do not preclude Honeywell's right to request the return of the rental engine or APU within five (5) days, per terms of Honeywell's or CFE Company standard Engine Rental and Bailment Agreement

6. Restocking Fee

If a loaner asset is shipped and not installed within 10 days, the following charges will apply:

- a) Restocking fee of \$2000.00 per day
- b) All freight charges
- c) Any other costs to return unit back to service

7. Timely Operator Engine/APU Repair After Loaner Installation

Repair on customer engines and APUs supported by a Honeywell loaner should begin within 10 days after delivery of loaner engine or APU. If the customer engine or APU repair has not commenced by the 10th day after delivery, catalog loaner rates will apply whether or not the loaner is covered under a maintenance contract. If the customer engine or APU is being shipped from South America, China or India to out-of-country repair facility, the customer engine or APU repair should commence by the 21st day after receipt of loaner engine or APU.

8. Deposit/Advanced Cash Payments

- Operators and/or Service Centers that do not carry sufficient credit terms with Honeywell will be required to submit a deposit in advance prior to release of rental engine or APU shipment. The repair on the customer's engine or APU must be approved and work started within 20 days of receipt of loaner engine, or all deposits will be forfeited. The Honeywell Authorized Service Center is responsible for verification of their BGA Customer's credit worthiness and will independently require a deposit or advanced cash payment this will also be needed if MSP contract is not in good standing.

Asset Type	Advanced Deposit Requirement
BGA APU	Three times (3x) the Daily Rate x 30 days
BGA Engines	Three times (3x) the Minimum Fee
ATR APU	Three times (3x) the Out of Network Rate

9. Shipping & Shipping Charges

- The Operator or Authorized Service Center is responsible for all rental engine or APU shipping expenses unless otherwise stated in a Honeywell contract (i.e. MSP Gold).
- Honeywell will make every attempt to execute next day delivery requests received after 3pm Phoenix Arizona time. Service Centers and Operators requiring expedited delivery are encouraged to submit their requests prior to 3pm Phoenix, AZ time. Due to logistics provider cut-off times and customs broker office hours, requests for next day delivery received after 3pm Phoenix, AZ time may deliver the following business day.
- All logistics providers are required to have adequate insurance coverage and ALF, CFE, HTF, TFE engines require air-ride equipped trucks for ground transportation.
- BGA Only: rental assets supporting MSP-covered MPI/CZI scheduled maintenance events will be shipped at standard service level. If premium shipping is required, please provide a shipping account number.

10. Other

- All Honeywell rentals come with end unit assembly 8130 certification & EASA Form One only. The Honeywell Engine Rental Bank will make a reasonable attempt to obtain other 8130's; however, they may not be available and is not a service provided by the Honeywell.
- Warranty-
 - Rental BGA APUs are not provided free of charge for rental events supporting an in-warranty APU.
 - Rental BGA Engines are provided free of charge for unscheduled heavy events supporting an in-warranty engine.
 - Rental ATR APUs do not cover warranty events at no-charge. If customer unit is confirmed by Honeywell to be a warranty event, the Operator may file a warranty claim to cover both rental expenses and shipping costs.

Replacement Cost: if at the end of the rental period the Operator retains the asset against Honeywell's request to return it, the Operator or Service Center will be billed the Replacement Cost as defined for each model below. Replacement Cost charges are in addition to any unpaid rental fees or charges accrued.

- Test Cell Correlation Support: Upon availability, Honeywell supports service center test cell correlation activities with rental engines and APUs. Charges in accordance with the below table begin upon release/shipment of loaner unit. Charges stop when the engine is removed from the Service Center and Long Term Preserved. All freight charges to & from Honeywell and to the final storage location are Service Center / ATR Operator responsibility. Extended Usage Fees will be assessed the first day of each successive 30day period. Service Center Discounts do not apply to this event.

Model Type:	ATR APU	BGA APU	CFE	HTF	TFE	TPE
Correlation Fee	\$300/day	\$200/day	\$400/day	\$400/day	\$400/day	\$300/day
Duration (Max)	30 Days	30 Days	30 Days	30 Days	30 Days	30 Days
EUF	1.5x Flat Fee	1.5x Flat Fee	1.5x Flat Fee	1.5x Flat Fee	1.5x Flat Fee	1.5x Flat Fee

11. All rates and fees in this Policy are quoted in US Dollars.

END OF SECTION A

B. ENGINE RENTAL POLICY: TFE731

1. TFE731 Rental Fees:

In addition to standard rental rates, EUF will be applicable if the rental engine is not removed within 15 days after Operator's engine completion, EUF apply as follows: 16th – 25th day: \$1,000.00/day; 26th day until removal: \$2,000.00/day (If Operator's engine is completed and shipped from U.S. to outside of U.S., EUF apply as follows: 22nd – 31st day: \$1,000.00/day; 32nd day until removal: \$2,000.00/day.)

	Hourly Fee	Minimum Fee	Daily Extended Usage Fee (EUF)	Test Cell Fee*	Replacement Cost
TFE731-2	\$535	\$6,000	\$1,000/\$2,000	\$9,500	\$ 265,000
TFE731-2C	\$505	\$6,000	\$1,000/\$2,000	\$9,500	\$ 265,000
TFE731-3	\$550	\$6,500	\$1,000/\$2,000	\$9,500	\$ 271,000
TFE731-3C/D	\$500	\$6,500	\$1,000/\$2,000	\$9,500	\$ 310,000
TFE731-4	\$1,145	\$7,000	\$1,000/\$2,000	\$10,750	\$ 185,000
TFE731-5	\$1,270	\$8,000	\$1,000/\$2,000	\$12,000	\$ 385,000
TFE731-5B	\$1,360	\$8,000	\$1,000/\$2,000	\$12,000	\$ 410,000
TFE731-20	\$1,330	\$10,000	\$1,000/\$2,000	\$12,000	\$ 450,000
TFE731-40	\$1,515	\$10,000	\$1,000/\$2,000	\$12,000	\$450,000
TFE731-50	\$1,570	\$10,000	\$1,000/\$2,000	\$12,000	\$460,000
TFE731-60	\$1,635	\$10,000	\$1,000/\$2,000	\$12,000	\$510,000

* NON COMPLIANCE OF PRE-REMOVAL RUNS = TEST CELL FEES

2. Rental Engine Removal and Storage: upon removal of all fan engines, the Service Center or Honeywell repair facility will:

- 1) Perform 5 pt. Medra Run and record TSN/CSN, T5 & N2 margins on HON Rental Engine Worksheet
- 2) Perform Visual Inspection, if there is evidence of FOD perform borescope inspection and determine cause. Service Center will be responsible for FOD repairs.
- 3) Perform inspections, maintenance requirements, and preservation requirements in accordance with instructions in the latest revisions of the applicable Maintenance Manual
 - a. All engines and APU's must be preserved for 24 months unless otherwise authorized by the Honeywell Engine Rental Bank.
- 4) If applicable, if additional work or parts are required for the rental engine or APU, submit a Service Authorization (SA) through the Honeywell Portal
- 5) For 20/40/50/60 engines perform cavity pressure check
- 6) Hazmat shipping requirements deem that both the oil and fuel lines be purged prior to shipment of both engines and APUs. If not purged, Service Center will be responsible for paying the additional hazardous good shipping costs, even if shipment would normally be covered under a maintenance contract (MSP Gold).
- 7) Create and attach new airworthiness certificate to logbook (BOTH FAA8130-3 AND EASA Form 1 AND other relevant airworthiness certification if appropriate based on shipping location) if not certified to issue dual release contact Honeywell at EngineRentals@Honeywell.com
- 8) Email a digital copy of the new airworthiness certificate & logbook entry to the Honeywell Engine Rental Bank EngineRentals@Honeywell.com
 - a. Any service completed in European Union member countries, or as otherwise instructed by Honeywell, is required to provide digital copies of the following records to EngineRentals@Honeywell.com after each service event:

- i. Current page of the logbook showing last service and engine TSN & CSN are notated
 - ii. Current pages illustrating required service bulletins have been performed
 - iii. Current page of Life Limited Parts (LLP) status
- 9) Inspect the Honeywell shipping container for serviceability – order replacement shipping containers by contacting the Honeywell Engine Rental Bank EngineRentals@Honeywell.com
- 10) Complete & Email Rental Engine Worksheet to EngineRentals@Honeywell.com
- 11) Check all rental engines on premise every thirty (30) days for store time expiration per Engine/Maintenance Manual
- 12) Perform Periodic Engine Runs as Appropriate per engine/maintenance manual

END OF SECTION B

C. ENGINE RENTAL POLICY: HTF

1. HTF Rental Fees:

Model	Hourly Fee	Daily Rate	Minimum Fee	Daily Extended Usage Fee (EUF)	Test Cell Fee*	Engine Replacement Cost
HTF7000**	\$2,300	\$4,350	\$15,000	\$1,000	\$11,500	\$1,800,000
HTF7250**	\$2,395	\$4,530	\$15,000	\$1,000	\$11,500	\$1,800,000
HTF7350**	\$2,340	\$4,400	\$15,000	\$1,000	\$11,500	\$2,400,000
HTF7500	\$2,245	\$4,240	\$15,000	\$1,000	\$11,500	\$2,800,000
HTF7700	\$2,355	\$4,454	\$15,000	\$1,000	\$11,500	\$2,800,000

* NON-COMPLIANCE OF PRE-REMOVAL RUNS = TEST CELL FEES

**The Honeywell Engine Rental Bank will offer HTF engines for lease; however, Honeywell may refer loaner requests to the following Channel Partners - Standard Aero, Turbine Engine Specialists (TES), and Duncan Aviation - as they have established rental banks for HTF engines. Channel Partner engine rental banks are owned and operated independent of the Honeywell Engine Rental Bank. Honeywell price, terms and policies for these independent Channel Partner rental banks are not applicable.

2. **Rental Engine Removal and Storage:** upon removal of all fan engines, Service Center or Honeywell repair facility will:
 - 1) Perform Power Assurance Run per the LMM and submit copy of run data sheet with HON Rental Engine Worksheet Record TSN/CSN on Rental Inf. Sheet
 - 2) Perform Visual Inspection, if there is evidence of FOD perform borescope inspection per maintenance manual and determine cause. Service Center will be responsible for FOD repairs
 - 3) Perform inspections, maintenance requirements, and preservation requirements in accordance with instructions in the latest revisions of the applicable Maintenance Manual
 - a. All engines and APU's must be preserved for 24 months unless otherwise authorized by the Honeywell Engine Rental Bank.
 - 4) If applicable, if additional work or parts are required to the rental engine or APU submit a Service Authorization (SA) through a HON authorized service center.

- 5) Create and attach new airworthiness certificate to logbook (BOTH FAA8130-3 AND EASA Form 1 AND other relevant airworthiness certification if appropriate based on shipping location) if not certified to issue dual release contact Honeywell at EngineRentals@Honeywell.com
- 6) Hazmat shipping requirements deem that both the oil and fuel lines be purged prior to shipment of both engines and APUs. If not purged, Service Center will be responsible for paying the additional hazardous good shipping costs, even if shipment would normally be covered under a maintenance contract (MSP Gold).
- 7) Email a digital copy of the new airworthiness certificate & logbook entry to the Honeywell Engine Rental Bank EngineRentals@Honeywell.com
 - a. Any service completed in European Union member countries, or as otherwise instructed by Honeywell, is required to provide digital copies of the following records to EngineRentals@Honeywell.com after each service event:
 - i. Current page of the logbook showing last service and engine TSN & CSN are notated
 - ii. Current pages illustrating required service bulletins have been performed
 - iii. Current page of Life Limited Parts (LLP) status
- 8) Inspect the Honeywell shipping container for serviceability – order replacement shipping containers by contacting the Honeywell Engine Rental Bank EngineRentals@Honeywell.com
- 9) Complete & Email Rental Engine Worksheet to EngineRentals@Honeywell.com
- 10) Check all rental engines on premise every thirty (30) days for store time expiration per Engine/Maintenance Manual
- 11) Perform Periodic Engine Runs as appropriate per Light Maintenance Manual

END OF SECTION C

D. ENGINE RENTAL POLICY: CFE 738

1. CFE738 Rental Fees:

Rental charges are computed by the number of hours multiplied by the hourly fee in addition to the number of days multiplied by the daily fee rate.

	Hourly Fee	Daily Rate	Daily Extended Usage Fee (EUF)	Test Cell Fee*	Replacement Cost
CFE738	\$1,330	\$3,870	\$1,500	\$12,500	\$1,800,000

* NON-COMPLIANCE OF PRE-REMOVAL RUNS = TEST CELL FEES

2. **Rental Engine Removal and Storage:** upon removal of all fan engines, Service Center or Honeywell repair facility will:
 - 1) Perform Power Assurance Run per the LMM and submit copy of run data sheet with HON Rental Engine Worksheet Record TSN/CSN on Rental Inf. Sheet
 - 2) Perform inspections, maintenance requirements, and preservation requirements in accordance with instructions in the latest revisions of the applicable Maintenance Manual
 - a. All engines and APU's must be preserved for 24 months unless otherwise authorized by the Honeywell Engine Rental Bank.
 - 3) If applicable, if additional work or parts are required to the rental engine or APU submit a Service Authorization (SA) through a HON authorized service center.
 - 4) Perform Log Book review to verify cycle limited components (LMM Chapter 5) and High Pressure turbine blades life (S/B CFE738-8045) have not been exceeded and have sufficient life remaining for continued use for another rental period.
 - 5) Create and attach new airworthiness certificate to logbook (BOTH FAA8130-3 AND EASA Form 1 AND other relevant airworthiness certification if appropriate based on shipping location) if not certified to issue dual release contact Honeywell at EngineRentals@Honeywell.com

- 6) Hazmat shipping requirements deem that both the oil and fuel lines be purged prior to shipment of both engines and APUs. If not purged, Service Center will be responsible for paying the additional hazardous good shipping costs, even if shipment would normally be covered under a maintenance contract (MSP Gold).
- 7) Email a digital copy of the new airworthiness certificate & logbook entry to the Honeywell Engine Rental Bank EngineRentals@Honeywell.com
 - a. Any service completed in European Union member countries, or as otherwise instructed by Honeywell, is required to provide digital copies of the following records to EngineRentals@Honeywell.com after each service event:
 - i. Current page of the logbook showing last service and engine TSN & CSN are notated
 - ii. Current pages illustrating required service bulletins have been performed
 - iii. Current page of Life Limited Parts (LLP) status
- 8) Inspect the Honeywell shipping container for serviceability – order replacement shipping containers by contacting the Honeywell Engine Rental Bank EngineRentals@Honeywell.com
- 9) Complete & Email Rental Engine Worksheet to EngineRentals@Honeywell.com
- 10) Check all rental engines on premise every thirty (30) days for store time expiration per Engine/Maintenance Manual
- 11) Perform Periodic Engine Runs as appropriate per Light Maintenance Manual

END OF SECTION D

E. ENGINE RENTAL POLICY: **TPE331**

1. TPE331 Rental Fee:

TPE331 Engine Rentals are exclusively for Customers with a Honeywell Maintenance Service Plan (MSP)

	Hourly Fee	Minimum Daily Fee	Minimum Fee	Daily Extended Usage Fee (EUF)	Test Cell Fee*	Replacement Cost
TPE331-6-252B	\$220	\$162	\$3,700	\$1000	\$6,250	\$250,000
TPE331-10	\$233	\$174	\$4,000	\$1000	\$6,250	\$300,000
TPE331-12	\$220	\$162	\$4,800	\$1000	\$6,250	\$300,000
TPE331-14	\$300	\$218	\$4,800	\$1000	\$9,750	\$400,000

* NON-COMPLIANCE OF PRE-REMOVAL RUNS = TEST CELL FEES

2. Rental Engine Removal and Storage: upon removal of all Turboprop engines, Service Center or Honeywell repair facility will:

- 1) Complete TPE Pre-Removal Form/Run Sheet and attach to Logbook
- 2) Perform Visual Inspection, if there is evidence of FOD perform borescope inspection and determine cause. Service Center will be responsible for FOD repairs.
- 3) Perform inspections, maintenance requirements, and preservation requirements in accordance with instructions in the latest revisions of the applicable Maintenance Manual
 - a. All engines and APU's must be preserved for 24 months unless otherwise authorized by the Honeywell Engine Rental Bank.
- 4) If applicable, if additional work or parts are required to the rental engine or APU submit a Service Authorization (SA) through a HON authorized service center.
- 5) Create and attach new airworthiness certificate to logbook (BOTH FAA8130-3 AND EASA Form 1 AND other relevant airworthiness certification if appropriate based on shipping location) if not certified to issue dual release contact Honeywell at EngineRentals@Honeywell.com

- 6) Hazmat shipping requirements deem that both the oil and fuel lines be purged prior to shipment of both engines and APUs. If not purged, Service Center will be responsible for paying the additional hazardous good shipping costs, even if shipment would normally be covered under a maintenance contract (MSP Gold).
- 7) Email a digital copy of the new airworthiness certificate & logbook entry to the Honeywell Engine Rental Bank EngineRentals@Honeywell.com
 - a. Any service completed in European Union member countries, or as otherwise instructed by Honeywell, is required to provide digital copies of the following records to EngineRentals@Honeywell.com after each service event:
 - i. Current page of the logbook showing last service and engine TSN & CSN are notated
 - ii. Current pages illustrating required service bulletins have been performed
 - iii. Current page of Life Limited Parts (LLP) status
- 8) Inspect the Honeywell shipping container for serviceability – order replacement shipping containers by contacting the Honeywell Engine Rental Bank EngineRentals@Honeywell.com
- 9) Complete & Email Rental Engine Worksheet to EngineRentals@Honeywell.com
- 10) Contact Klaus.Maehliss@Honeywell.com to determine where to return the TPE engine.
- 11) Check all rental engines on premise every thirty (30) days for store time expiration per Engine/Maintenance Manual
- 12) Perform Periodic Engine Runs as Appropriate per engine/maintenance manual

END OF SECTION E

F. ENGINE RENTAL POLICY: HTS900-2-1D

1. HTS900 Rental Fees:

	Hourly Fee	Daily Rate	Minimum Fee	Daily Extended Use Fee (EUF)	Test Cell Cell Fee*	Replacement Cost
HTS900-2-1D	\$167	\$203	\$5,000	\$250	\$5,000	\$900,000

* NON COMPLIANCE OF PRE-REMOVAL RUNS = TEST CELL FEES

2. Rental Engine Removal and Storage: upon removal of all engines, Service Center or Honeywell repair facility will:

- 1) Perform inspections, maintenance requirements, and preservation requirements in accordance with instructions in the latest revisions of the applicable Maintenance Manual
 - a. All engines and APU's must be preserved for 24 months unless otherwise authorized by the Honeywell Engine Rental Bank.
- 2) If applicable, if additional work or parts are required to the rental engine or APU submit a Service Authorization (SA) through a HON authorized service center.
- 3) Create and attach new airworthiness certificate to logbook (BOTH FAA8130-3 AND EASA Form 1 AND other relevant airworthiness certification if appropriate based on shipping location) if not certified to issue dual release contact Honeywell at EngineRentals@Honeywell.com
- 4) Email a digital copy of the new airworthiness certificate & logbook entry to the Honeywell Engine Rental Bank EngineRentals@Honeywell.com
 - a. Any service completed in European Union member countries, or as otherwise instructed by Honeywell, is required to provide digital copies of the following records to EngineRentals@Honeywell.com after each service event:
 - i. Current page of the logbook showing last service and engine TSN & CSN are notated
 - ii. Current pages illustrating required service bulletins have been performed
 - iii. Current page of Life Limited Parts (LLP) status

- 5) Inspect the Honeywell shipping container for serviceability – order replacement shipping containers by contacting the Honeywell Engine Rental Bank EngineRentals@Honeywell.com
- 6) Hazmat shipping requirements deem that both the oil and fuel lines be purged prior to shipment of both engines and APUs. If not purged, and recertified Service Center will be responsible for paying the additional hazardous good shipping costs, even if shipment would normally be covered under a maintenance contract (MSP Gold).
- 7) Complete & Email Rental Engine Worksheet to EngineRentals@Honeywell.com
- 8) Check all rental engines on premise every 30 days for store time expiration per Engine Maintenance Manual

END OF SECTION F

G. BUSINESS AND GENERAL AVIATION AUXILIARY POWER UNIT

1. APU Rental Fee:

The Rental Fees are computed as follows: total daily fee charges will be the greater of the minimum daily fee or the daily fee rate multiplied by the number of days that the Operator has the APU in its possession (excluding installation), plus the accumulated APU operating hourly fees.

The above terms do not preclude Honeywell's right to request the return of the rental APU within five (5) days, per terms of Honeywell's standard Aircraft Engine Rental & Bailment Agreements.

Model	Hourly Rate	Daily Rate	Min Daily Fee	Daily Extended Usage Fee (EUF)	Test Cell Fee	Replacement Cost	Optional FOD Coverage Fee – increase fees (\$25K, \$50K, \$100K)
36-150RJ	\$180	\$532	\$2,520	\$500	\$7,750	\$350,000	\$1200/\$1800/\$2900
RE100BR	\$180	\$522	\$2,700	\$500	\$9,000	\$325,000	\$1200/\$1800/\$2900
RE100CS	\$180	\$522	\$2,700	\$500	\$9,000	\$325,000	\$1200/\$1800/\$2900
RE100LJ	\$180	\$533	\$2,700	\$500	\$9,000	\$450,000	\$1200/\$1800/\$2900
RE100XL	\$180	\$533	\$2,700	\$500	\$9,000	\$350,000	\$1200/\$1800/\$2900
RE220GV	\$205	\$511	\$4,800	\$500	\$9,000	\$650,000	\$1200/\$1800/\$2900
RE220GVI	\$205	\$700	\$4,800	\$700	\$9,000	\$700,000	\$1200/\$1800/\$2900
RE220GX	\$205	\$700	\$4,800	\$700	\$9,000	\$750,000	\$1200/\$1800/\$2900
HGT400	\$205	\$700	\$4,800	\$700	\$9,000	\$500,000	\$1200/\$1800/\$2900
131-9B	\$262	\$775	\$2,520	\$700	\$10,250	\$450,000	\$1350/\$2250/\$3750

*NON-COMPLIANCE OF PRE-REMOVAL RUNS = TEST CELL FEES.

As noted in the Channel Partner communication sent 12/21/20 titled CP and **OEM TES APU Transition Announcement**, effective December 2020, all BGA APU 36-100/150 Engine Rental Bank assets will be transitioned to Turbine Engine Specialists (TES) located in Fort Worth Texas. Full transition and rental requests to be sent to TES starting January 18th. You can reference the following for pricing:

<http://www.tesservice.com/honeywell-apu-rental-bank>

TES Contact information

- Email Address rentalbank@tesservice.com
- Phone (24hr/AOG) [1-817-625-6100](tel:1-817-625-6100)

TES contact on an exception basis;
John Kennedy Cell# 817-366-9174

2. APU FOD REPAIR PROGRAM

Honeywell offers a service identified as "**APU FOD Repair Program**". FOD (foreign object damage) means damage caused by and incidental to impact or ingestion of any substance or element external to the equipment, including but not limited to birds, hail stones or debris.

In a FOD event, without the "APU FOD Repair Program," customers pay list price for parts damaged due to FOD of the rented APU. This "APU FOD Repair Program," if elected when rental is initiated, would be a flat fee charge and Honeywell would pay for repair(s) on the APU including normal wear and tear, up to the maximum value purchased by Operator. Honeywell will direct the APU to the repair facility of its choice. In no case will Honeywell and its affiliates be liable for incidental or consequential damages.

3. Rental Engine Removal and Storage: upon removal of all engines & APUs, Service Center or Operator will:

- 1) Perform inspections, maintenance requirements, and preservation requirements in accordance with instructions in the latest revisions of the applicable Maintenance Manual
 - a. All engines and APU's must be preserved for 24 months unless otherwise authorized by the Honeywell Engine Rental Bank.
- 2) If applicable, if additional work or parts are required to the rental engine or APU submit a Service Authorization (SA) through a HON authorized service center.
- 3) Create and attach new airworthiness certificate to logbook (BOTH FAA8130-3 AND EASA Form 1 AND other relevant airworthiness certification if appropriate based on shipping location) if not certified to issue dual release contact Honeywell at EngineRentals@Honeywell.com
- 4) Email a digital copy of the new airworthiness certificate & logbook entry to the Honeywell Engine Rental Bank EngineRentals@Honeywell.com
 - a. Any service completed in European Union member countries, or as otherwise instructed by Honeywell, is required to provide digital copies of the following records to EngineRentals@Honeywell.com after each service event:
 - i. Current page of the logbook showing last service and engine TSN & CSN are notated
 - ii. Current pages illustrating required service bulletins have been performed
 - iii. Current page of Life Limited Parts (LLP) status
- 5) Inspect the Honeywell shipping container for serviceability – order replacement shipping containers by contacting the Honeywell Engine Rental Bank EngineRentals@Honeywell.com
- 6) Hazmat shipping requirements deem that both the oil and fuel lines be purged prior to shipment of both engines and APUs. If not purged, Service Center will be responsible for paying the additional hazardous good shipping costs, even if shipment would normally be covered under a maintenance contract (MSP Gold).
- 7) Complete & Email Rental Engine Worksheet to EngineRentals@Honeywell.com

END OF SECTION G

H. AIR TRANSPORT AND REGIONAL AUXILIARY POWER UNIT

1. **APU Rental Charge Computation:** the below APU models are billed on a monthly basis, regardless of utilization, with the initial invoice at time of rental.

a. HONEYWELL REPAIR

- Operators sending their APUs to Honeywell Repair & Overhaul (R&O) sites for repair will be billed a discounted monthly rental fee upon shipment of rental asset, labeled below as 'Honeywell Repair Rates'.
- Operator will not be billed for additional months as long as;
 - The Operator's APU, logbook, purchase order, and any other documentation required to start repair has been provided to Honeywell within ten (10) days of the rental being delivered to the Operator.
 - Any required documentation and approval to proceed with repairs does not exceed 3 days and return policy is adhered to (see Extended Usage Fees above)
- Operators must provide the serial number of the APU being sent in for repair at the time the rental order is placed.
- The bailment agreement will state both the 'Honeywell Repair' and 'Out of Network' rental rates.
- Operator will be liable for full 'Out of Network' rental rates if Operator APU repair cannot be confirmed at a Honeywell R&O site (see below)
- Extended Usage Fee (EUF):
 - When the customer repair is performed at a Honeywell repair site, Extended Usage Fees (EUF) begin the 16th or 22nd day, as described above, after the customer unit is made serviceable (shipped or not), and are re-billed every consecutive thirty (30) days after the first EUF charge until returned.
 - When the customer repair is performed at a non-Honeywell site, there are no Extended Usage Fees (EUF) as the Operator is billed monthly at the Network Partner or Out of Network Partner rates.
 - The rental is required to be returned to Honeywell within ten (10) days after removal to avoid being charged Extended Usage Fee (EUF).
 - If Operator APU is considered unrepairable or Beyond Economic Repair (BER), the Operator has 30 days to return the Honeywell asset or bailment Extended Usage Fee (EUF) will be assessed.

b. HONEYWELL NETWORK PARTNER REPAIR & OUT OF NETWORK REPAIR:

- APUs rented by customers that are not sending an APU to Honeywell for repair will be billed, upon shipment of rental asset, either the 'Network Partner Repair Rate' or 'Out of Network' rates as determined at order receipt.
- Operators will be billed every thirty (30) days until engine is returned. Credit will not be given for early return.
- Operator will be liable for full 'Out of Network' rental rates if Operator engine repair cannot be confirmed at a Honeywell Network Partner Repair facility or there is an excessive delay in returning the unit.
- If Operator APU is considered unrepairable or Beyond Economic Repair (BER), the Operator has 30 days to return the Honeywell asset or bailment Extended Usage Fee will be assessed.

c. One rental unit per each customer unit being repaired:

- Operators must provide the serial number of the APU being sent in for repair at the time the loaner order is placed.
- The rental rate is applicable for the serial number provided only. If the loaner APU is required to support another customer serial number to be repaired, a new bailment must be completed and another loaner transaction will be billed.

APU Model	Honeywell Repair Rates	Network Partner Repair Rate	Out Of Network Repair	Test Cell Fee*	Replacement Cost	Optional FOD Coverage Fees
131-9A	\$80,698	\$108,716	\$136,132	\$10,250	\$525,000	\$1350/\$2250/\$3750
131-9B	\$76,927	\$103,637	\$129,771	\$10,250	\$450,000	\$1350/\$2250/\$3750
131-9C	\$85,206	\$114,789	\$143,737	\$10,250	\$650,000	\$1350/\$2250/\$3750
331-200ER	\$83,872	\$120,891	\$165,793	\$8,750	\$300,000	\$1350/\$2250/\$3750
331-500B2	\$169,730	\$230,940	\$289,180	\$11,000	\$1,500,000	\$1350/\$2250/\$3750
331-600	\$178,986	\$231,946	\$289,800	\$11,000	\$450,000	\$1350/\$2250/\$3750
36-150RJ	\$26,179	\$38,865	\$52,019	\$7,750	\$350,000	\$1200/\$1800/\$2900
36-280D	\$72,772	\$109,233	\$147,450	\$7,750	\$200,000	\$1200/\$1800/\$2900
36-300A	\$74,633	\$112,017	\$151,224	\$7,750	\$200,000	\$1200/\$1800/\$2900
RE220-RJ	\$74,292	\$110,293	\$147,624	\$9,000	\$600,000	\$1200/\$1800/\$2900
331-350C**	\$126,418	\$172,012	\$215,388	\$11,000	\$400,000	\$1350/\$2250/\$3750

* NON-COMPLIANCE OF PRE-REMOVAL RUNS = TEST CELL FEES

****Engine Rental Policy: 331-350C***

Honeywell Aerospace and Logix Aero have established a rental bank for the 331-350 APU. The Honeywell Rental Bank will support contractual Free of Charge (FOC) rental events while non-Free of Charge rental Requests will be referred to Logix Aero to provide the rental service. Logix Aero rental bank APUs are owned and operated independent of the Honeywell Engine Rental Bank, Honeywell price, terms and policies for this independent rental bank are not applicable.

Logix Aero 24/7 contact information:

1. Louise Lyons Tel +447720098336 email llyons@logix.aero
2. Richard Lewsley Tel +16025178210 email rlawsley@logix.aero
3. JC Morin Tel +33647824262 email JCMorin@logix.aero

*****Engine Rental Policy: 331-500***

Honeywell has selected Piedmont Aviation Component Services, LLC, located in Greensboro, North Carolina, USA to be Honeywell's exclusive 331-500 APU Rental Provider for all Honeywell customers on MSA, NTE and other long term repair contracts. As part of this partnership agreement, Honeywell has sold all of our 331-500 rental APUs in the Honeywell Engine Rental Bank to Piedmont, who will own, manage and rent the APUs to Honeywell customers and other customers, going forward. All 331-500 APU Rental Bank requests should be directed to Piedmont Aviation, to the following point of contact:

Barry W Startz

Sr. Director of APU Operations & Commercial Business 7102 Cessna Dr,
 Greensboro, N.C. 27409

USA

T: +1-336-776-6366 I M: +1-602-909-2859

E: barry.startz@piedmontaviation.com

HGT1700

Lufthansa Technik (LHT) Honeywell's exclusive supplier of HGT1700 rental APUs: all requests for rentals must be directed to LHT.

Contact information for LHT rentals:

Karl-Heinz Timm
Phone: +49-40-5070-1653
karl-heinz.timm@lht.dlh.de

Marina Huber
Phone: +49-40-5070-1215
marina.huber@lht.dlh.de

LHT AOG-Desk
Phone: +49 40 5070 5077
Fax: +49 40 5070 5070
SITA: HAMMDLH
E-mail: lufthansa-technik-aog-desk@lht.dlh.de

4. APU FOD REPAIR PROGRAM

Honeywell offers a service identified as "APU FOD Repair Program". FOD (Foreign Object Damage) means damage caused by and incidental to impact or ingestion of any substance or element external to the equipment, including but not limited to birds, hail stones or debris.

In a FOD event, without the "APU FOD Repair Program," customers pay list price for parts damaged due to FOD for the repair of the rented APU. . This "APU FOD Repair Program," if elected when rental is initiated, would be a flat fee charge and Honeywell would pay for repair(s) on the APU including normal wear and tear, up to the maximum value purchased by operator. Honeywell will direct the APU to the repair facility of its choice. In no case will Honeywell and its affiliates be liable for incidental or consequential damages.

ATR APU coverage fees are as stated below:

MAXIMUM COVERAGE OF \$100,000 IS FLAT FEE OF \$3,750
MAXIMUM COVERAGE OF \$50,000 IS FLAT FEE OF \$2,250
MAXIMUM COVERAGE OF \$25,000 IS FLAT FEE OF \$1,350

5. Rental Engine Removal and Storage: upon removal of all engines & APUs, Service Center or Operator will:

- 1) Perform inspections, maintenance requirements, and preservation requirements in accordance with instructions in the latest revisions of the applicable Maintenance Manual
- 2) If applicable, if additional work or parts are required to the rental engine or APU submit a Service Authorization (SA) through the Honeywell Portal
- 3) Create and attach new airworthiness certificate to logbook (BOTH FAA8130-3 AND EASA Form 1 AND other relevant airworthiness certification if appropriate based on shipping location) if not certified to issue dual release contact Honeywell at EngineRentals@Honeywell.com
- 4) Hazmat shipping requirements deem that both the oil and fuel lines be purged prior to shipment of all APUs. If not purged, additional charges will apply.
- 5) Email a digital copy of the new airworthiness certificate & logbook entry to the Honeywell Engine Rental Bank EngineRentals@Honeywell.com
- 6) Inspect the Honeywell shipping container for serviceability – order replacement shipping containers by contacting the Honeywell Engine Rental Bank EngineRentals@Honeywell.com

END SECTION H

I. APPENDICES

Shipping Container Guidelines

- Check General Exterior Condition of Container for:
 - Condition of bottom skid: the skid must be in a condition that allows the engine container to be loaded safely. A broken or missing skid can allow the engine to slide on the forklift forks. Additionally, the center portion of the skid helps support the engine weight during shipping.
 - Condition of the sides/walls/top integrity prior to using for integrity of use.
- Check Repairs To Container:
 - Containers that have been repaired with material from the local hardware store and leaving the United States may not be acceptable to some countries that require a US-4541 (HTTP) stamp and or certification documenting that the container meets specific insect deterrent requirements.
 - Check to ensure repairs to the container will not cause an unsafe condition. i.e. screws, nails, etc. protruding into the container in such a manner that would cause an unsafe condition to the engine, the shipper, or the end user.
- Review Box Size For Correct Engine Model:
 - i.e. 72x48x54 = 731-2 /3.....80x48x54 =731-5, etc.
- Inspect the Foam shipping material in the container for deterioration due to extended use, contaminates or exposure to the elements.
 - Is the foam's thickness adequate enough to ensure it will absorb any unanticipated shock during the shipping process?
 - Has the foam been exposed to major levels of fuel and oil that would create a shipping hazmat condition or cause damage to the engine or its components; i.e. corrosion, electrical connections, etc.
 - Has the foam been exposed to the elements in such a manner that it has become brittle due to heat or wet soaked due to snow or rain?
 - Is the condition of the plastic liner in an acceptable condition as to help prevent damage to the foam should it be exposed to engine fuel and oil?
 - Is the container free of trash and debris?
- Containers labeled as **Honeywell ERB** are intended only for the use of Engine Rental Bank (ERB) assets. Service Centers / Operators utilizing Honeywell ERB identified containers for the shipment of Operators assets will be invoiced the replacement cost of the container.

END OF SECTION I