



Aircraft Redelivery Program
for
XYZ Airlines

November, 2018



T3Tech is an Aviation Technical Services group that brings more than 90 years combined solid experience in the Aviation Industry, whose founding members leverage their expertise on their Senior Level Technical Tenures at renowned worldwide Aircraft Leasing Companies and Airlines.

...Seamless Aircraft Redeliveries...

T3Tech's Team



Manuel E. Cordero

Manuel E. Cordero is President and CEO of Cusco Aviation, LLC, an Aircraft and Engine Leasing, Trading, Asset Management, and Technical Services Company which he founded in early 2016. Prior to founding Cusco Aviation, Manuel was responsible for the Technical group at Jackson Square Aviation as their Senior Vice President Technical Services. He was also part of the team who founded Sky Holding and Jackson Square Aviation. Prior to joining Jackson Square Aviation, Manuel led the Technical teams at Sky Holding Company and Pegasus Aviation Finance company in San Francisco, California. Earlier during his career he also held senior technical roles at AWAS, Aeroperu, Americana de Aviacion and Aerochasqui. During his various tenures, Manuel has provided expert advice on all technical and commercial aspects of lease, purchase and sale transactions and has had oversight of the leased aircraft assets. He has also managed all Maintenance Reserve Claims and approvals for modifications, and major maintenance events. Manuel also led transition efforts related to over 250 aircraft delivery, redeliveries and early terminations, including New Boeing and Airbus Aircraft deliveries. His 30+ year experience in the Aviation industry has provided him with a wealth of experience in the field of aircraft leasing from both the Lessee and Lessor's perspective.



Cesar Guedez

Cesar Guedez, Aerospace Engineer with over 23 years of experience in the aviation industry, started his career in an Airworthiness Engineering role at the Venezuelan CAA. He later transitioned to the MRO and Airline sector, having had roles as Quality Control and Quality Assurance Director, SVP of Engineering and Maintenance, Corporate VP of Operations, General Manager of Operations and Corporate Director of fleet Management and Acquisitions. His responsibilities have included leadership roles in Aircraft Purchase and Leasing projects, Aircraft Deliveries and Re-Deliveries, Fleet Transitions and Heavy Maintenance Management. Cesar is currently the Owner and CEO of CAG Aviation Consulting, offering technical services, quality audits, technical training and on-site representation for Airlines and leasing Companies.

T3Tech's Team



Amelia Mafe, Senior VP Technical Operations

Prior to joining Cusco Aviation, Amelia latest Leasing experience was as Senior Vice President Marketing Americas, liaised with Capital markets on prospect acquisitions and contributed in technical projects at Sky Aviation. Prior to joining Sky Holding, while at ILFC, Amelia was responsible for performing Maintenance reserve reimbursement evaluations, developed a Financial model to perform Financial analysis and maintenance projections vital to aircraft sales and acquisitions, the financial state of the company and prior to the sale of the company. Earlier during her career, she also held technical roles (maintenance and engineering) at Pegasus Aviation Company, Boeing, United Airlines and Cessna Aircraft.

Amelia holds a B.S. in Aerospace engineering degree, a Master's degree in Aerodynamics from Wichita State University, an Executive Masters in Business administration, an FAA private Pilot license and an FAA Certified Airframe & Powerplant Mechanics license.



Dave Thompson, Senior Commercial Advisor

Dave Thompson is an aircraft leasing professional with nearly 30 years of experience in the industry. He has held leadership roles in some of the most prominent companies in the aircraft leasing space. Most recently, he worked as President, Chief Operating Officer and Chief Marketing Officer for Sky Holding/Sky Leasing from 2010-2017. Prior to Sky, Dave was EVP for Skyworks Leasing. From 1994-2006, Dave was Managing Director with GATX Air, the aircraft leasing unit of GATX which was acquired by Macquarie AirFinance.

Dave holds a B.A. in Economics from Middlebury College.



Robert Hancuff, Senior Marketing Advisor

Robert has been directly related with Aircraft Leasing and Asset Management for 17 years. He started at AWAS in September 2001, was initially involved in the Data Management team, participating in the creation of the Technical Database. Through the years Robert progressed to managing the on-site activities at AWAS. From January 2016 to June 2018, Robert was the Vice President of Technical Services at Compass Aviation Group. His responsibilities included managing on-site activities for customers, Aircraft Redelivery and Deliveries, Pre-Purchase Inspections for lessors and conforming aircraft for the FAA Part 135 environment. Robert is currently the President and owner of Hancuff Aviation LLC an Aircraft Leasing and Asset Management Company.

Aircraft Redeliveries

Experience has shown that Aircraft Redeliveries are:

- Processes, not Events, where Expectations, Costs and Actions need to be Managed, Controlled and Completed in a timely fashion.
- Tedious Processes that detract valuable Senior Management Human Resources from Airline Core day-to-day activities.
- A potential Severe Cash Drain to the Airline due to costly maintenance events as a result of not meeting Redelivery Conditions.
- Potential deterioration of the Lessor-Lessee Business relationship.

Aircraft Redelivery Challenges

Challenges

1. Lessor engagement and Lease Agreement Redelivery wording.
2. Records completeness and organization.
3. Lack of Lessee's focus due to day-to-day airline priorities.
4. Additional work during the Redelivery event that was not identified in a timely manner.
5. Lessor immediate plans for the aircraft.
6. Unexpected Costs: redelivery delays, unexpected work to comply with redelivery conditions.
7. Lessor-Lessee business relationship deterioration.

T3Tech Value Contribution

1. Perform a complete and thorough review of the Redelivery Conditions wording and engage with Lessor.
2. Collect and organize of all records required as per the Redelivery conditions and liaise with Lessor.
3. Permit airline to maintain focus on Airline's priorities.
4. Outline all the work that needs to be accomplished on the Aircraft well in advance of the Redelivery Event.
5. Make sure all conditions are met and the Aircraft is in redelivery conditions... on time.
6. Minimize unexpected costs.
7. Act as a "buffer" to minimize relationship disruption.

Aircraft Redelivery: Unexpected Costs.

Redelivery unexpected costs can quickly add up to Millions of Dollars and be a significant cash drain to the airline. Identifying these issues far in advance will minimize these additional expenditures. Typical high Cost drivers follow:

- Redelivery delays due to non-compliance of redelivery conditions.
- Engine redelivery conditions non-compliance:
 - Performance Restoration.
 - Life-Limited Parts (LLP's).
 - Out of Limit Borescope Inspections results.
- Airworthiness Directives.
- Components remaining life.
- Interiors not up to redelivery condition standards due to out of limit condition.
- APU:
 - Performance
 - Life-Limited Parts (as applicable)
- Landing Gear

Aircraft Redelivery Case Studies

- **Case Study A**

- Redelivery of a Wide Body Aircraft, redelivery exit Check was performed at the airline's MRO. Delivery location was at a different MRO. One engine failed acceptance Borescope Inspection on the day of the redelivery. Operator had over \$1.5M extra costs due to engine repair and aircraft redelivery delay

- **Case Study B**

- A narrow body aircraft return where the technical records were not up to redelivery standards and additionally had to be translated to English as per the redelivery conditions. This delayed the redelivery with associated costs. Unexpected expenditures were about \$500k

- **Case Study C**

- A narrow body aircraft return on a sublease where the sublessee had not prepared the records or the aircraft for the redelivery event. Lessee was responsible for the return with a late redelivery engagement. Unexpected costs added to \$2.0M

- **Case Study D**

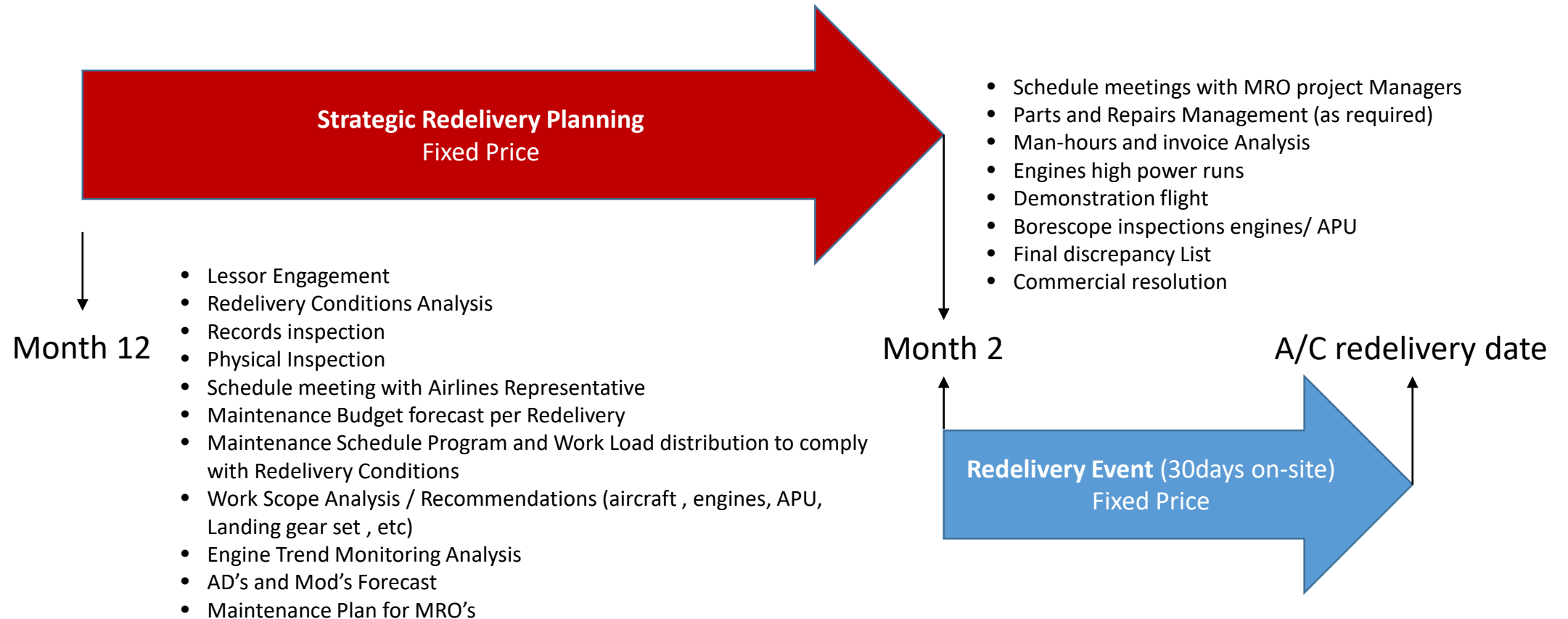
- A wide body aircraft had serious structural damage that was not detected until the exit redelivery check of the aircraft, where the original workscope had to be expanded. Lack of available parts also hindered the redelivery. Unexpected costs due to delay in redelivery, parts and manpower were close to \$2.5M

Redelivery Proposal

We present a Comprehensive Aircraft Redelivery Proposal focused at minimizing Aircraft Redelivery Challenges and Unexpected Costs, encompassing the following :

- Strategic Redelivery Guidance to the Airline 12 months prior to the Aircraft Redelivery.
- Interaction with the Lessor during Pre-redelivery meetings and during the time leading to the Redelivery event.
- Modelling of the Asset and providing an Asset-Specific Strategy to comply with Redelivery conditions in a cost effective and timely basis.
- Production of Complete Redelivery Technical documentation package.
- Representation during the Redelivery event.
- Bi-weekly updates

Schedule Flowchart



Redelivery Proposal Commercial Terms

We offer the Strategic Redelivery Planning and Redelivery Event Products separately or as a package.

Strategic Redelivery Planning

- **Our Company will provide Senior Management** Expertise plus one Senior Aircraft Technical Records.
- Twelve (12) Month Outlook of Aircraft Status in order to Project, manage and comply with Lease Return Conditions.
- Redelivery Meetings with Aircraft Lessor to Manage Lease Return Expectations, Control Costs and Timing,
- Prepare Redelivery Aircraft Records to comply with Redelivery Conditions.

Redelivery Event

- Two Person Team On-site management of the Actual Redelivery Event of the Aircraft supported by 24 hour Senior Management expert Back Office.
- We expect no more than 60 man/days per redelivery event.



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