

AMENDMENT 2

TO

**MEMORANDUM OF AGREEMENT
NAT-I-2414**

BETWEEN THE

**FEDERAL AVIATION ADMINISTRATION
DEPARTMENT OF TRANSPORTATION
UNITED STATES OF AMERICA**

AND THE

**JAPAN CIVIL AVIATION BUREAU
MINISTRY OF LAND, INFRASTRUCTURE, TRANSPORT AND TOURISM
JAPAN**

ARTICLE I—GENERAL

Pursuant to the terms of Article VIII of Memorandum of Agreement NAT-I-2414 (the "Agreement") between the Federal Aviation Administration ("FAA") of the Department of Transportation of the United States of America and the Japan Civil Aviation Bureau ("JCAB") of the Ministry of Land, Infrastructure, Transport and Tourism of Japan (collectively, the "Parties"), the FAA and the JCAB agree to amend the Agreement by replacing Article VI - Financial Provisions, with the following:

ARTICLE VI—FINANCIAL PROVISIONS

Each annex or appendix shall describe the specific financial arrangements for the technical assistance to be provided. However, all financial arrangements shall be subject to the following:

A. Prior to the performance of any services by the FAA, the JCAB shall pay to the FAA the estimated cost of providing the services and an administrative overhead charge in accordance with the provisions set forth in this Agreement and its annexes and appendices. FAA shall send JCAB the estimated cost up to 45 days before the time specified in the applicable annex or appendix.

1. In the event that the FAA does not receive the payment within the time specified in the applicable annex or appendix, the FAA shall automatically terminate the technical assistance project and forward a statement of account for the actual costs, including an administrative overhead charge, incurred in preparing to provide the technical assistance. The JCAB shall pay any such statement of account.

2. The FAA may, in its sole discretion and on a case-by-case basis, waive the required payment. In such cases, the FAA shall submit a statement of account to

the JCAB for all costs, including an administrative overhead charge incurred by the FAA in providing the services.

B. Notwithstanding any other provision of this Agreement, the FAA may, in its sole discretion and on a case-by-case basis:

1. Waive reimbursement by the JCAB of all or a portion of the cost of providing services, including the administrative overhead charge, under the annexes and appendices to this Agreement. The details of any such waiver shall be set forth in the appropriate annex or appendix.

2. Accept reimbursement from a third party or another agency of the U.S. Government in lieu of reimbursement by the JCAB of all or a portion of the cost, including the administrative overhead charge, of providing services under the annexes and appendices to this Agreement. The details of any such acceptance of payments shall be set forth in the appropriate annex or appendix.

C. The FAA has assigned agreement number NAT-I-2414 to identify this Agreement. This number and the billing number assigned to each annex or appendix, if applicable, shall be referenced in all correspondence and bills related to this Agreement.

D. Upon completion of the services, the FAA shall notify in advance and submit a statement of account to the JCAB detailing the actual cost of providing the services, including an administrative overhead charge. Each statement of account shall be delivered to the address specified in the applicable annex or appendix.

1. If the statement of account shows that the actual cost of providing the services is greater than the estimated cost paid by the JCAB, the JCAB shall pay the balance due to the FAA.

2. If the statement of account shows that the actual cost of providing the services is less than the estimated cost paid by the JCAB, the FAA shall either refund the difference to the JCAB, apply the difference to any unpaid balances owed by the JCAB under the Agreement, or hold the balance as a deposit against any future work under this Agreement, as agreed to by the Parties.

E. Payment of a balance due must be received by the FAA within sixty (60) days after the date the FAA issues a statement of account. In the event that payment is not received by the FAA within such time, the FAA shall assess late payment charges – i.e., interest, penalties, and administrative handling charges – in accordance with U.S. Treasury Department regulations. The FAA shall assess additional late payment charges for each additional thirty (30) day period, or portion thereof, that payment is not received. The JCAB shall pay any such late charges.

F. All payments shall be made in U.S. dollars and may be made either by check or electronic funds transfer. Checks shall be drawn on a U.S. bank and forwarded to the FAA at the address specified in the applicable annex or appendix. Electronic funds transfers shall be made in accordance with the instructions set forth in the applicable annex or appendix. All payments shall include a reference to the assigned agreement number and billing number.

G. The FAA reserves the right to suspend all work under this Agreement if there is an outstanding balance for work performed or services rendered under any of its annexes or appendices.

H. In the event of a termination of the Agreement or any of its annexes or appendices by either Party under Article X.B of this Agreement, the JCAB shall pay:

1. All costs incurred by the FAA in providing, or in preparing to provide, the technical assistance prior to the date of such termination, including an administrative overhead charge; and

2. All termination costs incurred by the FAA during the 120-day close-out period.

ARTICLE II—ENTRY INTO FORCE

This Amendment shall enter into force on the date of the last signature.

ARTICLE III—AUTHORITY

The FAA and the JCAB agree to the provisions of this Amendment as indicated by the signatures of their duly authorized representatives.

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DEPARTMENT OF TRANSPORTATION
UNITED STATES OF AMERICA

JAPAN CIVIL AVIATION BUREAU
MINISTRY OF LAND, INFRASTRUCTURE,
TRANSPORT AND TOURISM
JAPAN

BY: 
Julie E. Oettinger

BY: 
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TITLE: Assistant Administrator for
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TITLE: Director, Airworthiness Division

DATE: JUL 16 2010

DATE: July 30, 2010

PLACE: Washington, DC

PLACE: Tokyo