

## **Aviation Maintenance and Operational Contract Exposure Checklist**

Checklist to support the analysis of an aviation maintenance and operational contract to identify exposures:

### **1. Pre-Review Preparation**

- Ensure the review team is familiar with aviation industry standards and regulations.
- Gather all relevant documentation, including the contract, regulatory guidelines, and technical specifications.
- Schedule initial briefing sessions for all team members to understand the scope and objectives of the review.

### **2. Legal and Regulatory Compliance**

- Verify compliance with international, federal, and local aviation regulations.
- Check the contract against FAA, EASA, and ICAO regulations.
- Review for compliance with safety, security, environmental, and data protection laws.
- Stay updated on regulatory changes that might affect the contract.

### **3. Technical Specifications Review**

- Form a cross-functional review team including engineers, maintenance specialists, and safety officers.
- Benchmark technical specifications against industry standards and best practices.
- Conduct a detailed line-by-line review of technical specifications.
- Identify potential technical risks and propose mitigation strategies.
- Assess the service provider's capabilities and track record.

### **4. Safety and Liability Assessment**

- Ensure comprehensive coverage of liability and risk allocation.
- Review safety protocols and standards adherence.
- Evaluate the contract's provisions for handling advancements in technology and evolving safety standards.

### **5. Financial and Performance Oversight**

- Review budgeting and cost management clauses to prevent unforeseen expenditures.
- Develop and agree upon measurable, achievable performance metrics and standards.

### **6. Adaptability to Change**

- Ensure contract flexibility to accommodate future operational, technological, and regulatory changes.
- Incorporate clear change management and contract modification clauses.

### **7. Risk Management and Mitigation**

- Conduct a comprehensive risk assessment covering safety, liability, financial, and regulatory aspects.
- Develop contingency plans for identified risks.
- Ensure equitable risk distribution and clearly defined mechanisms for risk allocation.

#### **8. Legal and Regulatory Expert Review**

- Involve legal experts early in the drafting process to identify potential legal issues.
- Ensure the contract complies with all relevant laws to avoid potential legal and regulatory pitfalls.

#### **9. Contract Negotiation and Flexibility**

- Prepare thoroughly for negotiations, understanding objectives and potential risks.
- Leverage expertise across various domains for a holistic contract evaluation.
- Embrace flexibility to find mutually beneficial solutions.

#### **10. Continuous Review and Management**

- Establish regular review intervals for the contract.
- Maintain comprehensive documentation of all contractual agreements and communications.
- Implement efficient dispute resolution strategies.

#### **11. Best Practices and Cautions**

- Avoid complacency with technical specifications.
- Plan for technological obsolescence and ensure the contract allows for updates.
- Specify responsibilities for training and transition to new technologies or practices.
- Ensure clarity in performance metrics and enforceability.
- Assess the long-term viability and reliability of suppliers.