

Before the Federal Maritime Commission

COMBUSTION STORE LIMITED,	§	
	§	
Complainant,	§	
	§	Docket No. 15-02
v.	§	
	§	
UNIGROUP WORLDWIDE - UTS,	§	
	§	
Respondent.	§	

**COMPLAINANT’S MOTION FOR LEAVE TO
AMEND COMPLAINT TO PROVIDE ADDITIONAL VERIFICATION**

Complainant, Combustion Store Limited (“Combustion”), by and through undersigned counsel, hereby respectfully requests leave to file amend its Complaint to provide additional verification for its Complaint. In support hereof, Combustion states as follows:

1. Combustion filed its Complaint in this case on or about May 2, 2015.
2. Combustion’s Managing Director, Sacha Vincent, signed and verified the Complaint.
3. On or about June 19, 2015, Respondent, UniGroup Worldwide, Inc. (“UniGroup”) filed a Motion to Dismiss (“Motion”).
4. In its Motion, UniGroup alleged that the Complaint was not sworn or verified, even though Mr. Vincent verified the Complaint on the last page.
5. Although UniGroup did not state grounds for this allegation, Combustion wishes to resolve any issues or disputes regarding the verification by filing a Complaint with a separate verification page, as attached to this Motion as Exhibit A.
6. Specifically, Combustion wishes to resolve any issues regarding the verification of the Complaint to ensure that the attached Complaint can be used as evidence, to the extent

evidence is needed, in opposition to UniGroup's Motion to Dismiss, as Combustion states in its Opposition to Respondent's Motion to Dismiss, also filed today.

7. Pursuant to Federal Rule of Civil Procedure 15(a)(2), made applicable to this case by 46 C.F.R. § 502.12, leave to amend should be granted "freely." As the Supreme Court has held:

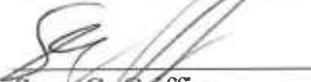
In the absence of any apparent or declared reason - such as undue delay, bad faith or dilatory motive on the part of the movant, repeated failure to cure deficiencies by amendments previously allowed, undue prejudice to the opposing party by virtue of allowance of the amendment, futility of amendment, etc. - the leave [to amend] should, as the rules require, be "freely given."

Foman v. Davis, 371 U.S. 178, 182 (1962).

8. Allowing this amendment will not prejudice Respondent. The attached Complaint is identical to the original Complaint filed on or about May 2, with the only difference being the inclusion of a separate verification page. The attached Complaint contains no additional allegations. Therefore, allowing the amendment will not impose any unfair surprise or other undue prejudice upon Respondent.
9. The proposed Complaint with the additional verification is attached.
10. For the foregoing reasons, Combustion respectfully requests leave to file the attached Complaint.

Respectfully submitted,

GARVEY SCHUBERT BARER



Sean C. Griffin

sgriffin@gsblaw.com

1000 Potomac Street, N.W., Fifth Floor

Washington, DC 20007

Tel: (202) 965-7880

Fax: (202) 965-1729

*Attorney for Complainant
Combustion Store Limited*

CERTIFICATE OF SERVICE

I hereby certify that I have this 17th day of July served the foregoing document upon counsel for Respondent (C. Jonathan Benner, Warren L. Dean, Deona R. DeClue, Scott McMickle, Chandler L. Smith) via electronic mail and by mailing a copy via the US Postal Service.


Sean C. Griffin

GSB:7196257.1

Exhibit A

Before the Federal Maritime Commission

Complaint

COMBUSTION STORE LIMITED, §
Unit 4 Mill Farm §
Barcombe Mills §
Lewes §
East Sussex §
BN8 5BP §
England §

Complainant, §

v. §

UNIGROUP WORLDWIDE - UTS, §
3727 Rose Lake Drive §
Suite 100 §
Charlotte, NC 29217 §

Respondent.

- I. The complainant is Combustion Store Limited (“Combustion”), a firm engaged in the business of supplying airplane parts. Sacha Vincent serves as its Managing Director, and Combustion Store Limited’s principal place of business is Unit 4 Mill Farm, Barcombe Mills, Lewes, East Sussex, BN8 5BP, England. Combustion’s telephone number is +44 (0)1892 665739.
- II. The respondent is UniGroup Worldwide – UTS (“UniGroup”), a corporation engaged in the business of providing services as an ocean transportation intermediary subject to the Shipping Act of 1984, as amended (“Shipping Act”). UniGroup’s principal place of business is 3727 Rose Lake Drive, Suite 100, Charlotte, NC 29217, USA.
- III. The jurisdiction for this case is based upon the Shipping Act, particularly 46 U.S.C. § 41102(c), which provides in relevant part that an ocean transportation intermediary “may not fail to establish, observe and enforce just and reasonable regulations and practices relating to or connected with receiving, handling, storing, or delivering property.”
- IV. That the following acts, which caused injury to Combustion, occurred:
 - A. Combustion contacted Connexion World Cargo Ltd. (“Connexion”) in the United Kingdom to arrange for the transportation of two used aircraft engines and

accompanying log books from a warehouse in Georgia to Combustion's warehouse in the U.K. Combustion had taken ownership of the engines from Excel Turbines ("Excel"), the prior owner, in compensation for work Combustion had previously performed.

- B. Combustion received an estimate from a marketer of used Rolls Royce engines (Exhibit 1) that the value of the engines with the log books was \$230,000 each, less needed repairs of \$65,000, giving them a combined resale value of approximately \$395,000, provided they were accompanied by the log books.
- C. The same marketing company estimated their scrap value—this is, their value without the log books—at approximately \$1600. Since that estimate was received, Combustion has accepted an offer to sell the engines for scrap at £595 each, or a total of about \$1900 at the current exchange rate.
- D. Connexion engaged UniGroup to handle the shipment, including the log books. UniGroup holds an OTI license from the FMC to provide services as either a non-vessel operating common carrier ("NVOCC," or carrier) or an ocean freight forwarder (shipper's agent). Under the FMC's regulations, the duties of an OTI wearing either of these hats overlap and include arranging for inland transportation to the port as well as ocean shipment, and overseeing the preparation of the necessary shipment documentation. 46 CFR § 515(h) and (l). Those same regulations require the exercise of due diligence in performing these services. 46 CFR § 515.32(c).
- E. UniGroup's representatives arrived on May 4, 2012, to remove the engines and a 17 x 17 x 12 inch box containing the log books and forward them to Combustion. Excel's president, Damon Garcia, personally verified that the box contained the log books.
- F. As UniGroup's subcontracted driver was loading the engines, Mr. Garcia asked the driver if he was going to affix a label to the box or if UniGroup planned to ship the box separately by another carrier such as FedEx or UPS. The driver replied "No. They will ride up front with me." UniGroup's driver then took possession of both engines and the log books and departed Excel's premises.
- G. With respect to the log books, Erik Koistinen of UniGroup Worldwide later informed Combustion through Fred Parshley (UniGroup Vice President, Airfreight in Ft. Wayne, IN) as follows:

"After we where [*sic*] given the instructions by Connexion to set up the booking for this shipment, Doug Wright with our office in Charlotte, NC was also requested by

Connexion to confirm with the shipper, Excel Turbines and/or their agent Global Jet that they would have the log book(s) with the shipment prior to pick up. The shipper's agent, Debra Odell with Global Jet confirmed that she would have the log book(s) delivered to Excel Turbines and that they would be with the engines prior to Doug Wright dispatching the pick up of the engines. When the pick up was made, the truck bill of lading was signed off by Excel Turbines, the shipper, as 2 engines, with no written or oral mention to us of a separate third piece. It was Doug Wright's understanding that the log book(s) were [sic] with the engines as mentioned earlier."

- H. Mr. Parshley forwarded this communication by email to Combustion on July 25, 2013 (in the course of Combustion's investigation of the facts), along with the following additional message which he had received from Erik Koistinen:

[W]hen the shipper called they confirmed the shipment was ready with the log books. They gave instructions to pick up 2 pcs so we then set up the pick up. Nothing was on the paperwork regarding a separate box for the log books. The shipper never told us about a separate box. They only said they had the log books with the engines ready to ship."

- I. UniGroup issued a "Master Bill of Lading" (Exhibit 2) for the shipment showing itself as "Shipper/Exporter" and as "Forwarding Agent," and Connexion World Cargo Ltd as "consignee." The place of receipt is Newnan, GA, port of loading is Charleston, and place of delivery is London. The cargo is described as "2 Used Rolls Royce Aircraft Engines." There is no mention of any log books.
- J. Carotrans, a NVOCC licensed as an ocean transportation intermediary by the FMC, was engaged by UniGroup to handle the move. Carotrans issued a bill of lading dated May 19, 2012, showing UniGroup as both the Shipper/Exporter and as the Forwarding Agent, and Connexion as the Consignee. This document shows "Pre-Carriage By Newnan Georgia," "Place of Receipt by Pre-Carrier Atlanta," "Port of Loading Charleston," and "Port of Discharge London." Again, the cargo is shown as 2 used Rolls Royce Aircraft Engines, without any mention of log books.
- K. Carotrans contracted with a motor carrier broker, MIQ Logistics, LLC, to arrange for the inland pick up of the shipment and delivery to the port of export. MIQ, in

turn, engaged the services of a motor carrier, Southeastern Freight Lines ("SEFL"), to pick up the shipment and deliver it to Carotrans's agent in Atlanta.

- L. The SEFL bill of lading (Exhibit 3) contains some strange handwritten alterations that appear to indicate that there might have been an item with the shipment in addition to the engines.
- M. It is unclear how the shipment was drayed from Atlanta to Charleston, but there is no indication that the log books were with the shipment at the time this leg of the transportation was performed, and the Carotrans bill of lading, as noted above, contains no reference to any log books accompanying the shipment.
- N. The engines were delivered to Combustion without the log books.
- O. Combustion stored the engines for as long as feasible, but has recently disposed of them for scrap (see above) after incurring storage charges of £2760.80 (\$4,417).
- P. Attached as Exhibit 4 are letters from industry experts explaining why the value of aircraft engines is almost nil without the related log books.
- Q. UniGroup knew from the outset that the log books were to be included in the shipment, but failed to exercise due diligence in supervising the activities of its subcontracted service providers to make sure that the log books were transported along with the engines, as the Shipping Act requires. As the enclosed letters from three different experts attest, the engines are for all intents and purposes worthless without the log books that record their service, maintenance and repair history.
- R. UniGroup handled this shipment acting under the authority of its license as an ocean transportation intermediary ("OTI") regulated by the Federal Maritime Commission ("FMC"). UniGroup's negligence in arranging and supervising the shipment violated the Shipping Act, which provides in relevant part that an ocean transportation intermediary "may not fail to establish, observe and enforce just and reasonable regulations and practices relating to or connected with receiving, handling, storing, or delivering property." 46 U.S.C. § 41102(c). Further, the FMC has long held that a licensee under the Shipping Act has a fiduciary duty to its customer to exercise due care in making the shipping arrangements, and is liable for any resulting damages ("reparations"), including interest and attorney's fees, in complaint proceedings before the Commission. *See* 46 U.S.C. §§ 41301(a) and 41305.
- S. UniGroup holds an OTI license from the FMC to provide services as either a NVOCC (carrier) or an ocean freight forwarder (shipper's agent). Under the FMC's regulations, the duties of an OTI wearing either of these hats overlap and

include arranging for inland transportation to the port as well as ocean shipment, and overseeing the preparation of the necessary shipment documentation. 46 CFR §§ 515(h) and (l). Those same regulations require the exercise of due diligence in performing these services. 46 CFR § 515.32(c).

- T. An OTI has unique expertise and has a fiduciary duty to its principal to exercise due care in performing its services.
- U. When acting as a carrier (NVOCC), an OTI ordinarily issues a bill of lading, as UniGroup did in this case, and assumes the responsibilities of a carrier to transport the shipment safely from origin to destination in accordance with the instructions of the shipper, defined in the statute to include “the cargo owner, the person for whose account the ocean transportation of cargo is provided, the person to whom delivery is to be made.” 46 U.S.C. § 40102(22).
- V. There is a presumption that an OTI is acting as a NVOCC when the OTI issues a bill of lading. Here, UniGroup also shows itself on the bill of lading as the ocean freight forwarder, so it seems to have regarded itself as providing both functions on this shipment simultaneously.
- W. Acting in either role, however, UniGroup assumed the obligation to exercise due diligence and reasonable care in carrying out the instructions of Combustion, as relayed through Connexion, to make sure that the log books accompanied the shipment. The relevant UniGroup employees have acknowledged in correspondence with Combustion that they were aware that the log books were to be a part of the shipment.
- X. Nevertheless, UniGroup failed to confirm that the log books were with the shipment, even though both SEFL and Carotrans issued shipment documentation omitting any mention of the log books. Combustion’s claim is against UniGroup, which was in effect the “prime contractor” for this shipment. From the documentation, it appears that SEFL was at least a third tier subcontractor to UniGroup, so any dispute about its performance should be resolved in the first instance between it and the upper tier contractors who contracted for its service.
- Y. UniGroup, acting as either the carrier (NVOCC) or ocean freight forwarder, or both, is responsible under the Shipping Act for supervising the performance of its underlying or subcontracted service providers, and for the safe transportation of the cargo in question. UniGroup failed to do so, which led directly to the loss of the engines’ log books, and consequently, UniGroup has caused Combustion damage.
- V. That by reason of the facts stated in the foregoing paragraphs, complainant has been (and is being) subject to injury as a direct result of the violations by respondent of 46

U.S.C. § 41102(c), which provides in relevant part that an ocean transportation intermediary “may not fail to establish, observe and enforce just and reasonable regulations and practices relating to or connected with receiving, handling, storing, or delivering property.” Here, UniGroup failed to discharge this duty by failing to transport or by losing the log books upon which most of the engines’ value depended. Without these log books, the engines’ value dropped from approximately \$395,000 as repairable engines to about \$1900 as scrap.

- VI. That complainant has been injured in the following manner: To its damage in the sum of \$397,517.
- VII. Wherefore complainant prays that respondent be required to answer the charges herein; that after due hearing, including an oral hearing, an order be made commanding said respondent: to cease and desist from the aforesaid violations of said act(s); to establish and put in force such practices as the Commission determines to be lawful and reasonable; to pay to said complainant by way of reparations for the unlawful conduct hereinabove described the sum of \$397,517, with interest and attorney's fees or such other sum as the Commission may determine to be proper as an award of reparation; and that such other and further order or orders be made as the Commission determines to be proper in the premises.
- VIII. Complainant seeks an oral hearing and requests that the oral hearing be conducted at the Federal Maritime Commission, 800 N. Capitol Street, NW., Washington, DC 20573-0001.

Respectfully submitted,

GARVEY SCHUBERT BARER


Sean C. Griffin

sgriffin@gsblaw.com

1000 Potomac Street, N.W., Fifth Floor
Washington, DC 20007

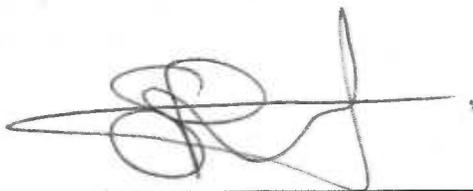
Tel: (202) 965-7880

Fax: (202) 965-1729

Signature witnessed
30/4/2015

 Y.M. Redman
1357268

Dated at 05, this 30 day of April 2015.



Sacha Vincent
Unit 4 Mill Farm
Barcombe Mills
Lewes
East Sussex
BN8 5BP
England
Tel: +44 (0)1892 665739

05

Signature witnessed
30/4/2017

Y M Redman

Y M Redman

1353268

VERIFICATION OF COMPLAINT
COMBUSTION STORE, LTD v. UNIGROUP WORLDWIDE, INC.
FMC DOCKET NO. 15-02

I state under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

A handwritten signature in black ink, appearing to be 'Sacha Vincent', written over a horizontal line.

Sacha Vincent

Exhibit 1



Orange Aero

Unit 6
Maidenbower Office Park
Balcombe Road
Maidenbower
Crawley
West Sussex
RH10 7NN

Tel: 01293 889442
Fax: 01293 873503
E-mail: sjeffs@orange.aero
Web: www.orange.aero

Sacha Vincent
Managing Director
Combustion Store Limited
Unit 4
Mill Farm
Barcombe Mills
Lewes
East Sussex
BN8 5BP

Dear Sacha,

Rolls Royce Dart Engines SN 14403 & SN 14711

Orange Aero has been involved in the surplus commercial aircraft engine market for more than twenty years and we have substantial Rolls-Royce Dart experience.

Without the log books, our view is that these engines can only be sold for scrap value and we would estimate the scrap value at £500 per engine.

As serviceable Rolls Royce Dart MK529-8X / 532-7R engines with log-books the value of these engines would be in the region of \$230,000 USD each.

I understand that engine SN 14403 was un-serviceable due to a starter clutch failure. Rectification of this defect would be in the region of \$5000 USD. Furthermore, I understand that engine SN 14711 was un-serviceable due to low power. Rectification of this defect would be in the region of \$60,000 USD.

If I can provide any further technical or commercial input then I would be happy to do so.

Yours Sincerely,

Digitally signed by Simon Jeffs
DN: cn=Simon Jeffs, o=Orange Aero,
ou=Thame Office, email=sjeffs@orange.aero,
c=GB
Date: 2014.12.08 15:36:46 Z

Simon Jeffs
Managing Director

HOWDEN AIRDYNAMICS



Howden Air Dynamics, Inc.
2616 Research Drive
Corona, California 91720
Telephone (909) 734-0070
FAX (909) 734-2594

A Howden Group Company

March 27, 2000

To whom it may concern:

Reference: Mr. Sacha Paul Vincent

In April of 1997, Howden Air Dynamics established a distribution agreement with McAyman Limited for supply of High Pressure Air Compressors for the F-27 Aircraft. Sacha Vincent was key to establishing the initial contact between the companies and for the development of a number of new customer accounts in Europe.

In my business dealings with Sacha he has demonstrated enthusiasm, professionalism and a willingness to support our customers, at all times.

I would consider Sacha to be an asset to any company wishing to utilize his skills and background.

Sincerely,

A handwritten signature in cursive script, appearing to read "Mike Ashton", is written over a faint, larger version of the same signature.

Mike Ashton
Director
Sales & Marketing

Exhibit 2

MASTER BILL OF LADING

SHIPPER/EXPORTER UNIGROUP WORLDWIDE - UTS 3727 ROSE LAKE DRIVE SUITE 100 CHARLOTTE, NC 28217 USA <p style="text-align: right;">704-423-9994</p>		BOOKING NO. ATLLON1219004 B/L NO. EXPORTER REFERENCES REF: 640677	
CONSIGNEE CONNEXION WORLD CARGO LTD UNIT 3 LANCASTER COURT EXETER AIRPORT CLYST HONITON EXETER, EX5 2DP UNITED KINGDOM DANIEL GREGORY (44) 1392 449300		FORWARDING AGENT UNIGROUP WORLDWIDE - UTS 3727 ROSE LAKE DRIVE, SUITE 100 CHARLOTTE, NC 28217 COUNTRY OF ORIGIN USA	
NOTIFY PARTY		EXPORT INSTRUCTIONS	
PNE-CARRIAGE BY	PLACE OF RECEIPT	EXPORT INSTRUCTIONS	
	NEWNAN, GA		
VESSEL	PORT OF LOADING		
API INDONESIA 19E	Charleston (1409)		
POINT OF DISCHARGE	PLACE OF DELIVERY		
London (00423)	LONDON		

PARTICULARS FURNISHED BY SHIPPER

MARKS AND NUMBERS	NO. OF PKGS.	DESCRIPTION OF PACKAGES AND GOODS	GROSS WEIGHT	MEASUREMENT
AS ADDR	2	2 USED ROLLS ROYCE AIRCRAFT ENGINES HTS 8802.20 AES X20120516015751	3527.00LB 1599.84KG	273.200 CFT 7.736 CBM
TOTALS:	2	Freight Prepaid. Express Release.	3527.00LB 1599.84KG	273.200CFT 7.736CBM

THESE COMMODITIES, TECHNOLOGIES, OR SOFTWARE WERE EXPORTED FROM THE UNITED STATES IN ACCORDANCE WITH THE EXPORT ADMINISTRATION REGULATIONS. DIVERSION CONTRARY TO U.S. LAW PROHIBITED.

Exhibit 3

Bill of lading

CARRIER'S LIABILITY LIM TO MAX UP TO \$250,000 PER Pkg UNLESS SHIPPER HAS PAID FOR HIGHER

Bill of Lading
(NOT NEGOTIABLE)

SEFL 5910 5342-0			
PLTS HND	PHYSICAL PIECES	TPCS HND	BL FOR
2	2	2	2
PHYSICAL SHIPPER (IF DIFFERENT FROM BL)			

SHIP DATE: 05/04/2012

SHIPPER (ORIGIN)
 FROM SHIPPER: Excel Turbines
 ADDRESS: 188 W Aviation Way
 ADDRESS:
 CITY, STATE, ZIP: Newnan, GA 30263
 PHONE NO. (WITH AREA CODE): (770)683-8810 Fernando
 & CONTACT
 PICKUP INSTRUCTIONS:
 ADDITIONAL SERVICES REQUESTED
 PICKUP:
 DELIVERY:
 SHIPMENT:

PAGE: 1 OF 1
 BILL OF LADING NUMBER: 16425173
 Shipment #: 16425173
 Booking #: ATLLON1219004
 Booking location: Charlotte
 User code: aprlp
 CTH LRD (MM/DD/YY): 05/08/12
 Pro #:
 GL code:

CONSIGNEE (DESTINATION)
 TO CONSIGNEE: Carotrans c/o Forward Air Atlanta
 ADDRESS: 3515 Naturally Fresh Blvd
 ADDRESS: Suite 540
 CITY, STATE, ZIP: Atlanta, GA 30349
 PHONE NO. (WITH AREA CODE): (404)768-9634 Receiving
 & CONTACT
 DELIVERY INSTRUCTIONS:

BILL TO (MAILING ADDRESS)
 BILL TO NAME: Carotrans c/o MIQ Logistics, LLC
 ADDRESS: PO Box 11250
 ADDRESS: 888 979 4513 | carotrans@miq.com
 CITY, STATE, ZIP: Overland Park, KS 68207
 PHONE NO. (WITH AREA CODE):
 & CONTACT:

PIECES	TYPE OF PKG	HAZ MAT	CLASS	DIMS	DESCRIPTION OF ARTICLES, SPECIAL MARKS AND EXCEPTIONS (Subject to Correction) LIST HAZARDOUS MATERIALS FIRST	WEIGHT LBS (Subject to Correction)
2	Pallet		65.0		non haz used rolls royce engines	3527
TOTAL PCS	MARK "X" IN COLUMN FOR HAZARDOUS MATERIALS					TOTAL WT:
2	24 HR EMERGENCY RESPONSE HAZ MAT PH#					3527
C O D					FREIGHT CHARGES	
REMIT C.O.D. TO: NAME						
ADDRESS						
CITY, STATE, ZIP						
C.O.D. AMT.						
PAYMENT METHOD						
C.O.D. FEE IS ThirdParty						

DECLARED VALUE: Where the rate is dependent on value, shippers are required to state specifically in writing the agreed or declared value of the property. If the value is omitted, the shipment will be subject to the lowest actual or released value in ICC NMF 100 Series. The agreed or declared value of the property is hereby specifically stated by the shipper to be not exceeding

FOR FREIGHT COLLECT SHIPMENTS: If this shipment is to be delivered to the consignee, without receipt on the carrier's, the consignee shall sign the following statement. The carrier may decline to make delivery of this shipment without payment of freight and all other lawful charges.

THIRD PARTY

CARRIER LIABILITY: Shipments valued at more than \$25.00 per pound per package are of extraordinary value. Carrier's maximum liability coverage is \$25.00 per pound per package subject to a \$125,000 maximum total liability, unless the shipper requests excess coverage (at an additional charge) on the bill of lading. Other liability conditions for specific commodities may apply and are found in Carrier's Rules and Conditions publication. The liability on household goods and personal effects is based on the value declared, not to exceed \$5 per pound per package.

RECEIVED, subject to individually determined rates, rules and contracts that have been agreed upon in writing between MIQ Logistics, and carrier, if applicable, otherwise subject to all terms and conditions of the uniform Bill of Lading set form in the National Motor Freight Classification 100-X and consensus laws. The property described above, in apparent good order, except as noted (contents and condition of contents of packages unknown), marked, consigned, and destined as shown above, which said carrier agrees to carry to destination, if on its route, or otherwise deliver to another carrier on the route to destination. Every vehicle to be performed hereunder shall be subject to all Bill of Lading terms and conditions in the governing classification on the date of shipment. Shipper hereby certifies that he is familiar with the Bill of Lading terms and conditions in the governing classification and the said terms and conditions are hereby agreed to by the shipper and accepted for receipt and his consignee.

This is to certify that the above named materials are properly classified, described, packaged, marked and labeled, and are in proper condition for transportation according to the applicable regulations of the Department of Transportation.

SHIPPER: Excel Turbines
 CARRIER: Southeastern Freight Lines Inc.
 PER: _____
 DRIVER: _____
 COLLECTED AT PICKUP: \$ _____
 CASH: _____
 CHECK: _____
 CARD TYPE: _____
 DATE: _____

NOT CRATED
Used Engines

[Handwritten signatures and stamps]
 m O
 2 Pkts USED
 Engines

Exhibit 4

Energy Research Institute,
School of Process, Environmental and Materials Engineering,
Faculty of Engineering
University of Leeds
LS2 9JT

14th February 2013

For the Attention of:

Erik P. Koistinen
Area Manager
UniGroup Logistics (WCA ID: 14628)
3727 Rose Lake Dr., Suite 100
Charlotte, NC 28217

Reference: Rolls-Royce Dart MK 532-7R

Dear Sir,

I have been approached by Mr. Sacha Vincent to provide you with a written statement indicating the requirements for all aircraft components to maintain documentary evidence (for engines, these are known as log books) as I am an Aviation Lecturer and industry expert currently employed at the University of Leeds. The requirements for either an aircraft operator or owner to keep up to date defined documentation is derived from the Civil Aviation Authority and more recently from EASA legislated by the EU.

With the loss of the Engine Log books it is no longer possible to prove any of the items listed as follows:

- Unusual occurrences e.g. aircraft struck by lightning, heavy landing, bird strike, forced landing etc shall be recorded in the respective logbook(s). Such entries should specify the nature, date and place of the occurrence and, in the case of an emergency landing, the reason why the landing was made. A copy of each such entry shall be forwarded to the responsible airworthiness section of the Department of Civil Aviation.
- A brief description of the modification embodied or special inspection carried out shall be recorded where applicable in the appropriate aircraft logbooks. The reference number of the respective Airworthiness Directive (AD), Service Bulletin (SB), and Service Instruction (SI), Service Letter (SL) or approved modification shall be quoted.
- Reason for the overhaul, repair or modification

- Back to Birth Life Information
- The operating hours and/or cycles at the time of removal and installation
- The serial number(s) of the products or parts removed and installed
- TSN TSO CSO CSN TSR CSR
- Hot Section Inspection
- HPT Blade Life and AFT Records which are used in Blade Life Calculations
- Flight time in the case of an aeroplane the time from the moment the aircraft moves under its own power for the purpose of taking off for flight until the moment it comes to rest at the end of the flight, and in the case of a helicopter from the time the engine or engines are started for the purpose of flight until they are switched off on completion of the flight
- A brief description of the adjustment(s) made must be recorded in the appropriate logbook quoting the respective section of the relevant maintenance manual consulted i.e. TGT Harness Trimmer
- The reason for removal
- Titles, part number of manuals, and test schedules used and their revision status
- Engine components including Part Number
- Modifications embodied
- Service Bulletins checked and complied with
- Major replacements
- Items repaired or overhauled
- Tests carried out and the job card number concerned
- Airworthiness Directives (both recurrent and non-recurrent action)

The purpose of logbooks is to provide a complete history (from design, initial manufacture and overhaul) of the equipment to which they relate. Entries therein must be accurate and neat and, whilst being concise, must contain all relevant facts. The importance of safeguarding logbooks cannot be over emphasized. If the log books are destroyed or lost, the components cannot be traced or installed on to serviceable aircraft, and in all intents and purposes are considered scrap.

Further legislated information pertaining to this matter is available for reference online at <http://www.easa.europa.eu/home.php> , being the official web site European Aviation Safety Agency.

Should you have further questions regarding this matter, please do not hesitate to contact me directly.

Yours sincerely

Stephen J Wright
Aviation Lecturer
Faculty of Engineering
University of Leeds

s.j.wright@leeds.ac.uk
0113 343 1598



Managed Asset Services Limited

Military Aircraft Spares from Certified MoD Stock

Poole Wellington Taunton Somerset TA21 9HW England
Tel: (44) (0)1823 652500 Fax: (44) (0)1823 652555
E-mail: masl@masl-uk.com

Mr Richard Gluck
Garvey Schubert Barer
Flour Mill Building
1000 Potomac Street NW
5th Floor
Washington, DC 20007-3501

5th December 2014

Dear Mr Gluck

The Dart engines in question were received into customs warehouse in July 2012 and arrived without any documentation. This was highlighted at the time by Mr Peter Skinner to Combustion Store Company.

We have in the last two years had serious interest from companies wishing to purchase these engines but unfortunately without paperwork/log cards and records of engine history they are not interested. It is very important to have this information because engines and their components all have lifing restrictions as well as the history of which aircraft they were fitted to and how long for including hours used. At every service/component change details are recorded and this history is vital. If any data from these records is missing the only alternative is for the unit to be placed into a workshop facility for a very costly job of servicing, component replacement and for the renewing of the records and lifing details. Without any of this information the engines are worth little more than scrap value.

Anyone within the aviation industry would be aware of this and it is usual practice to ensure that documents are sent securely either by hand with the driver and occasionally by recorded delivery.

Yours Sincerely

P L Jones
Logistics Director
Managed Asset Services Limited