

# **The CFM / IATA Settlement Agreement concerning CFM's MRO policies and activities of July 2018.**

*Overview of the Conduct Policies and the role of the  
Trustee appointed by CFM and IATA*

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# Scope of CFM/IATA settlement agreement

The July 2018 Agreement between CFM and IATA comprises a number of Conduct Policies (CP) and Implementation Measures (IM) related to several technical and commercial support processes with the purpose to drive improved transparency and consistency.

		<b>Conduct Policies</b>	<b>Implementing Measures</b>
<b>Licensing</b>		7-8	37-43
<b>Warranties</b>		9-13	44-47
<b>Servicing</b>		14-21	48-52
<b>Technical Support</b>		22-25	53-56
<b>Engine Shop Manual</b>		26-31	62-64
<b>Exclusive Agreements</b>		32-36	65-67

The IM also include enforcement measures such as dispute resolution (Section X, clauses 72-84), CFM Liaison Officer (Section XI, 85), Trustee provisions (Section XII, 86-92) and Damages (Section XIII, 93-98).

➤ *The CPs and IMs & Guidances + FAQ can be found at: [www.cfmaeroengines.com/services](http://www.cfmaeroengines.com/services)*

# Impact of CFM/IATA settlement agreement

(IATA Guide to Key Principles, July 2019)

## Purchasers of Engines

- non-discriminatory causation analysis of warranty claims if non OEM parts or repairs used
- freedom to choose exclusive MSA if requested
- offer of alternative risk transfer agreements

## Purchasers of Engine MRO Services

- non-discriminatory causation analysis of warranty claims if non OEM parts or repairs used
- CFM supplies engine MRO services on a non-discriminatory basis if non OEM parts or repairs used

## Overhaul Shops and other MRO Shops

- a) Engine Shop Manuals and licensing
- no fees for ESM to certified overhauls shops
  - no unjustified removal of disclosed repairs ESM
  - original repairs remain available in new/upgraded ESM
  - updated ESM reflect DR when feasible
  - assistance with substantiation licensed repairs
  - early execution of MRO licenses for LEAP

<https://www.iata.org/whatwedo/workgroups/Documents/Legal/iata-cfm-agreement-on-engine-maintenance.pdf>

# Impact of CFM/IATA settlement agreement (continued)

## Overhaul Shops and other MRO Shops

### b) Parts and repairs

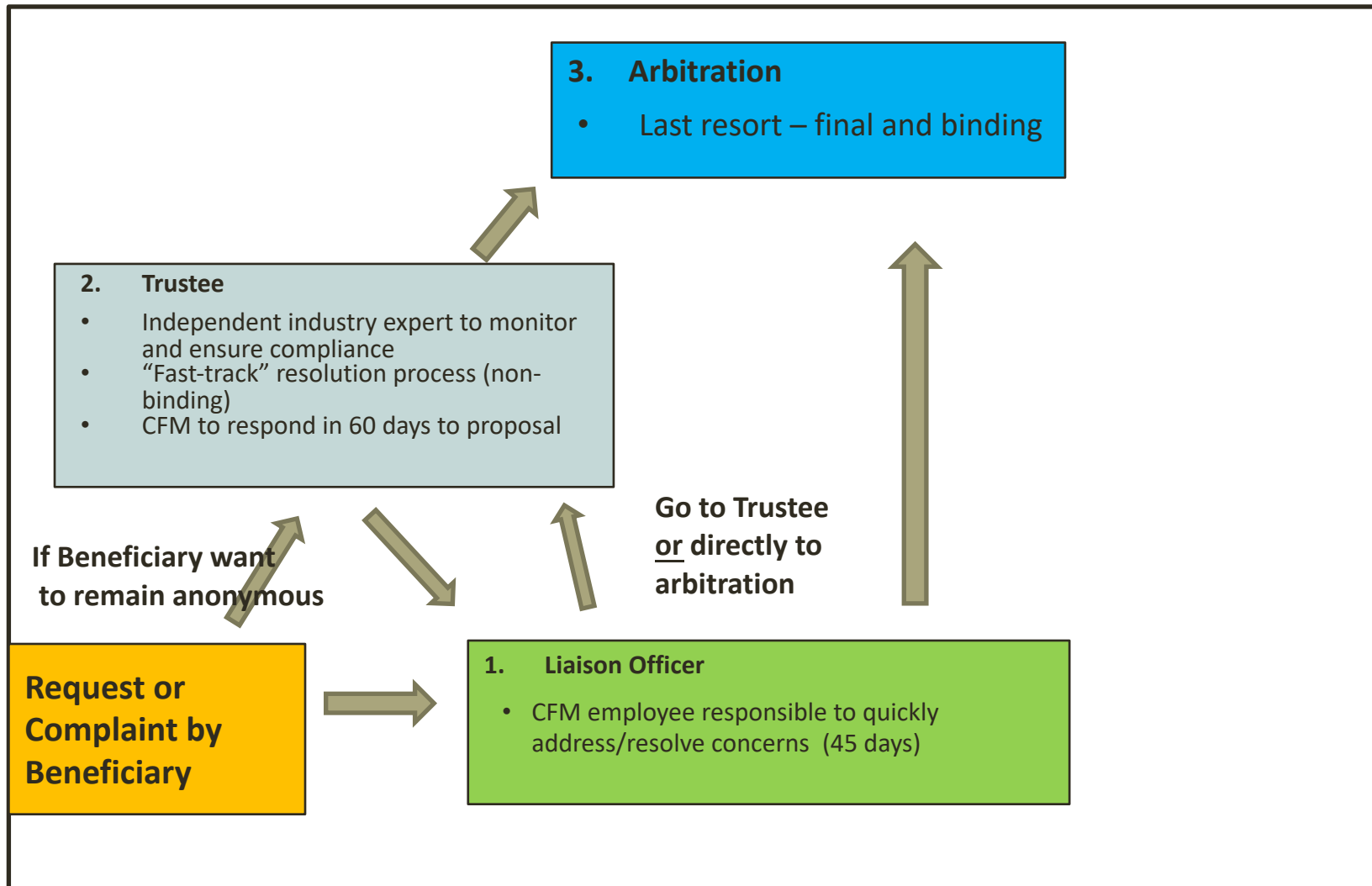
- no qualitative statements CFM re non-OEM parts or repairs
- availability of parts and parts repair services at individual piece parts level
- non-discriminatory causation analysis of warranty claims if non OEM parts or repairs used
- freedom to choose exclusive MSA

*but CFM can still offer OEM parts only MRO Service*

### c) technical support and departure records

- technical support provided on a non-discriminatory basis
- DR requests evaluated on a non-discriminatory basis

# Three Tier Dispute Resolution (Section X)



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