

General Terms and Conditions

Related to the Manufacture and/or Supply of Products or
Services

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1 Definitions

- 1.1 The article headings (**Articles**) used in these **General Terms and Conditions (GT&C)** are solely for the purpose of facilitating reading and have no effect on the interpretation GT&C.
- 1.2 Unless indicated to the contrary, terms beginning with a capital letter and used in these GT&C, in the singular or in the plural, shall take the meaning defined hereunder:

Confidential Information refers to any information related to the content of the Order; and all the other information communicated by a Party to the other Party, or those that a Party could have access regarding the negotiation of these GT&C and/or the Specific Conditions or during the execution of Orders, whether in or outside of one of the Parties' facilities and/or all information that:

- i. Are held on a tangible support, visible or registered (including but not limited to, the devices, equipment, software, data, processes, definition of Product, plans, patents, utility models, copyrights, domain name, know-how, schemes, logos, technical notes, prototypes, methods, algorithm, all technical documentation, registered designs and other designs and other documents) and that are marked and identified "Confidential" and/or "Exclusive Proprietary" or an word to similar effect; or
- ii. Are disclosed orally and considered exclusive and/or confidential by their nature and converted after on a tangible support, visible or registered; or
- iii. Are held on a tangible support, visible or registered or disclosed orally and stated to be Confidential Information by writing within the ten (10) following days, being understood that any information disclosed during this period shall be considered as Confidential;

Counterfeit Item means Item that is or contains unlawful or unauthorized reproductions, substitutions, or alterations that have been knowingly mismarked, misidentified, or otherwise misrepresented to be an authentic, unmodified part from the original manufacturer, or a source with the express written authority of the original manufacturer or current design activity, including an authorized aftermarket manufacturer. Unlawful or unauthorized substitution includes used Item represented as new, or the false identification of grade, serial number, lot number, date code, or performance characteristics;

Customer refers to any company, individual, State or body holding a legal title of ownership or legal right of use for the Items and/or Services;

Due Delivery Date refers to the Item and/or Service delivery date as detailed in the Specific Terms and Conditions;

Dispute refers to:

- i. any and all claims or disputes that in any way arise out of or relate to this Order, the negotiation or execution thereof, its performance, or the breach or enforcement thereof;
- ii. any claims or disputes that in any way concern the conduct of any party in connection with this Order or the relationship or duties of the parties contemplated under this Order; or
- iii. claims or disputes concerning the validity or scope of the terms and conditions of this Order

Force Majeure refers to events that are compelling, unforeseeable, unavoidable and outside control of any of the Parties, not occasioned by a Party's fault or negligence and that postponed or interrupt the performance of its obligation by one of the Parties;

General Terms and Conditions (GT&C) refers to the terms and conditions relating to manufacture, purchase and supply of Item and/or Service;

Government Official means any officer, employee, agent, representative, or any other person acting in an official capacity for or on behalf of a government, government-owned or –controlled entity or instrumentality, public international organization, political party, party official or political candidate.

Intellectual Property Rights (IP Rights) refers to any intellectual and industrial property rights including but not limited to all rights in patents, utility models, semi-conductor topography rights; copyrights, authors' rights, trade marks, brands, domain names, trade secrets, know-how and other rights in information, drawings, logos, plans, database rights, technical notes, prototypes, processes, methods, algorithms, any technical-related documentation, any software, registered designs and other designs, in each case, whether registered or unregistered and including applications for registration, and all rights or forms of protection having equivalent or similar effect anywhere in the world;

Item means any assembly, subassembly, component, and/or any part thereof including spare parts, software, tooling as hereinafter defined, any sort of data, or any other goods and associated services, as identified in the Specific Terms and Conditions and in the Specification;

Order refers to all purchase orders placed by the Purchaser under the Terms and Conditions;

Parties refers to the Supplier and the Purchaser, and **Party** refers to the Supplier or the Purchaser;

Purchaser refers to Stelia Aerospace North America Inc., an entity incorporated in Nova Scotia, Canada (Canada Business Number 135987881), with a place of business at 71 Hall Street, Lunenburg, NS, B0J 2C0, Canada, and all other locations in Canada.

Replacement refers to the Item or any element thereof required for the maintenance, repair or replacement of the Item;

Results refers to the results of studies, developments and/or services carried out as part of the Order, including, in particular, all of the inventions, all of the software, all of the hardware, all of the information, all of the data and all of the specific know-how, technical or not, produced or obtained by the Supplier during the course of fulfilling the Order and directly associated with it;

Service means all assembly, sub-assembly and/or any part of the services and/or associated services, as identified in the Specific Terms and Conditions and in the Specification;

Specific Terms and Conditions refers to the terms and conditions that have been negotiated and agreed between the Purchaser and the Supplier and relating to manufacture, purchase and supply of the Item and/or Service; Specific Terms and Conditions include the Specifications; these Specific Terms and Conditions are mentioned on the Order;

Specification refers to the document defining the Item and/or Service in terms of technical requirements and in particular the functions and performance thereof, supplied by the Purchaser and incorporated into the Order;

Supplier refers to the company, individual or body to whom the Order is addressed; the supplier is identified on the Order;

Suspect Counterfeit Item means Item for which credible evidence (including, but not limited to, visual inspection or testing) provides reasonable doubt that the Item is authentic and that the Item suspected to be a Counterfeit Item;

Terms and Conditions refers to

- i. the Specific Terms and Conditions;
- ii. these General Terms and Conditions;
- iii. any document that may be attached and/or integrated by reference to Specific Conditions and/or to these General Terms and Conditions; and
- iv. all amendments to the documents referred in (i), (ii) and (iii).

Tooling means all tooling and manufacturing equipment (including all dies, jigs, tools, patterns, moulds, models, ground support equipment, machinery, equipment, software tools and other items), required by the Supplier for the execution of Orders (including the development, testing, manufacture and Support of the Item and/or Service).

2 Purpose

- 2.1 The Parties agree that these General Terms and Conditions, to which the Specific Terms and Conditions shall be added, define the conditions under which the Supplier shall manufacture, supply and support the Items and/or provide the Service.

3 Precedence

- 3.1 In the event of any conflict between the following documents, the order of precedence between them shall be as follows:
- i. Specific Terms and Conditions;
 - ii. these General Terms and Conditions; and
 - iii. any other document incorporated by reference.

4 Acceptance of Order

- 4.1 The Supplier's acknowledgement, acceptance of payment or commencement of performance of the Order shall constitute the Supplier's unconditional acceptance of the Order.
- 4.2 Unless expressly accepted in writing by the Purchaser, additional or differing terms or conditions proposed by Supplier or included in Supplier's acknowledgement are objected to by Purchaser and have no effect.
- 4.3 The Supplier shall, upon acceptance of the Order, execute the necessary tasks as pre-production activities.
- 4.4 The Supplier shall manufacture, procure, and provide support regarding the Items and/or perform the Service strictly according to the Terms and Conditions and the associated Order.

5 Packaging

- 5.1 Unless otherwise provided for in the Specific Terms and Conditions, the Items shall be delivered with packaging and a transport method suited to their nature and in accordance with good commercial practice. The Supplier shall be responsible for all damages resulting from the use of an unsuitable or inappropriate packaging or transport method.
- 5.2 Items shall be delivered together with the documentation necessary for their use, storage and maintenance.

6 Delivery

- 6.1 A complete packing list shall be enclosed with all shipments. As applicable, the Supplier should mark containers or packages with necessary lifting, loading, and shipping

information such as, Order number, Items, dates of shipment, and the names and addresses of consignors and consignees.

- 6.2 Deliveries shall be made in accordance with the requirements set out in the General Terms and Conditions and/or the Specific Terms and Conditions, and in particular in accordance with the delivery deadlines, it being agreed that these deadlines are essential and constitute a substantial element of the Order.
- 6.3 Unless otherwise provided for in the Specific Terms and Conditions, deliveries shall be Incoterms DAP to the Purchaser's site.
- 6.4 No Item can be delivered and/or no Service can be provided ahead of time without the prior Terms and Conditions of the Parties.
- 6.5 No Item can be delivered and/or no Service can be provided late without incurring penalties without the prior Terms and Conditions of the Parties.
- 6.6 Transfer of risk and title of the Item and/or Services shall pass to the Purchaser at the effective delivery date of Item and/or Service.

7 Inspection and Acceptance of an Item and/or Service

- 7.1 The Purchaser and its Customer(s) may inspect all Item and/or Service at reasonable times and places, including, when practicable, during manufacture and before shipment. The Supplier shall provide all information, facilities, and assistance necessary for safe and convenient inspection without additional charge.
- 7.2 No such inspection shall relieve the Supplier of its obligations to furnish and warrant all Item and/or Service in accordance with the requirements of the Order.
- 7.3 Acceptance of the Item and/or Service shall not be conclusive of the absence of latent defects and shall be without prejudice to the rights of the Purchaser, under the Terms and Conditions and/or at law.
- 7.4 In the event of any discrepancy or non-conformity of the Item and/or Service with the requirements of the Terms and Conditions and/or at law, the Purchaser may refuse that Item and/or Service and, at its discretion:
 - i. return the Item at Supplier's expense. In such a case, and immediately upon notification by the Purchaser of such rejection, the Supplier shall make every effort to immediately expedite the delivery of a replacement for the rejected Item; or
 - ii. rectify the rejected Item and/or Service, at the Supplier's expense; or
 - iii. require the Supplier to rectify and/or replace the Item and/or Service at the site at which the Item and/or the Service is held, at the Supplier's expense;

and shall not pay for such rejected Item and/or Service.

In case of rejection of an Item, the risk and title to the rejected Item, shall pass back to the Supplier upon the notification of rejection of the Item by the Purchaser.

- 7.5 The Purchaser reserves the right to charge the Supplier with administrative, handling, or other costs incurred and time spent by the Purchaser in carrying out any inspections or acceptance in circumstances where the Purchaser subsequently rejects an Item and/or Service.

8 Notice of discrepancy or non-conformity

- 8.1 The Supplier shall immediately notify the Purchaser in writing when discrepancies or non-conformities in the Supplier's process, materials, or approved inspection/quality control system are discovered or suspected which may materially affect the Items delivered or to be delivered under this Order.

9 Counterfeit Item

- 9.1 The Supplier shall not deliver Counterfeit Item or Suspect Counterfeit Item to the Purchaser.
- 9.2 The Supplier shall only purchase products to be delivered or incorporated as Item to the Purchaser directly from the Original Component Manufacturer (OCM)/Original Equipment Manufacturer (OEM), or through an OCM/OEM authorized distributor chain. The Supplier may use another source only if
- i. the foregoing sources are unavailable,
 - ii. The Supplier's inspection and other counterfeit risk mitigation processes will be employed to ensure the authenticity of the Item, and
 - iii. The Supplier obtains the advance written approval of the Purchaser.
- 9.3 The Supplier shall maintain counterfeit risk mitigation processes in accordance with industry recognized standards and with any other Terms and Conditions.
- 9.4 The Supplier shall immediately notify The Purchaser with the pertinent facts if the Supplier becomes aware that it has delivered Counterfeit Item or Suspect Counterfeit Item. When requested by the Purchaser, the Supplier shall provide OCM/OEM documentation that authenticates traceability of the affected Items to the applicable OCM/OEM. The Supplier, at its expense, shall provide reasonable cooperation to the Purchaser in conducting any investigation regarding the delivery of Counterfeit Item or Suspect Counterfeit Item.
- 9.5 This Article 9 applies in addition to and is not altered, changed, or superseded by any quality provision, specification, statement of work, regulatory flow down, or other provision included in this Order addressing the authenticity of Item.
- 9.6 In the event that Item delivered under this Order constitutes or includes Counterfeit Item, the Supplier shall, at its expense, promptly replace such Counterfeit Item with genuine Item

conforming to the requirements of this Order. Notwithstanding any other provision in this Order, the Supplier shall be liable for all costs relating to the removal and replacement of Counterfeit Item, including without limitation the Purchaser's costs of removing Counterfeit Item, of installing replacement Item and of any testing necessitated by the reinstallation of Item after Counterfeit Item has been exchanged. The remedies contained in this paragraph are in addition to any remedies the Purchaser may have at law, equity or under other provisions of this Order.

- 9.7 The Supplier shall include the definitions of Counterfeit Item and Suspect Counterfeit Item as well as paragraphs 9.1 through 9.5 and this paragraph 9.7 of this Article or equivalent provisions in lower tier subcontracts for the delivery of Items that will be included in or furnished as Item to the Purchaser.

10 Compliance with the applicable laws and regulations

10.1 General

10.1.1 The Supplier shall ensure its compliance and the compliance of each Item, Service and deliverable with all applicable laws and regulations, including those dealing with:

- Labour
- Data privacy and protection
- Environment, health and safety
- Anti-corruption as detailed in 10.2
- Export control as detailed in 10.3
- REACH as detailed in 10.4
- Any principles detailed in the Supplier Code of Conduct (Appendix A)

10.1.2 The Supplier shall inform with no delay the Purchaser of any violation of applicable law related to the conclusion and/or the execution of the Terms and Conditions and/or the Orders, by itself or any of its subsidiaries, affiliates, management, employees, representative or any person or company that might be involved in the execution of the Terms and Conditions and/or the Orders.

10.2 Anti-corruption

10.2.1 The Supplier, its executives, employees, agents and any individuals or companies that may be involved in the execution and/or the performance of these Terms and Conditions shall comply with all anti-corruptions and anti-bribery laws and regulations applicable to the performance of its obligations and activities under these Terms and Conditions.

10.2.2 Accordingly, in the performance of the Terms and Conditions and/or the Orders, the Supplier shall specifically:

- Represents and warrants that, neither it, nor anyone acting on its behalf, has or will, directly or indirectly, offer, pay, promise to pay, or authorize the giving of, any

money or thing of value to any Government Official or to any person, while knowing that all or a portion of such money or thing of value will be offered, given or promised, directly or indirectly, to a Government Official, for the purpose of influencing any act or decision of such Government Official, including any act or decision to fail to perform his/her lawful duty, or for the purpose of inducing such Government Official to use his/her influence with any government or instrumentality thereof to affect or influence any act or decision of such government or instrumentality to obtain or retain business for any person.

- Refrain from seeking, accepting, or paying for confidential, non-public information about competitors, tenders and technical specifications, bids and bid prices.

10.3 Export Control

10.3.1 The Supplier, at its sole expense, shall comply with all applicable export control laws and regulations in the performance of this Order, including, but not limited to:

- the Canadian Export and Import Permits Act (EIPA), R.S.C., 1985, c. E-19
- the Canadian Defence Production Act (DPA), R.S.C., 1985, c. D-1
- the US International Traffic in Arms Regulations (ITAR), 22 CFR Parts 120 to 130, the US Export Administration Regulations (EAR), 15 CFR Parts 730 to 774, all other laws, regulations, or executive orders related to the import, export, or delivery of Items contemplated by this Order such as customs laws and regulations, immigration laws and regulations, etc.

10.3.2 The Supplier, at its sole expense, agrees to determine and comply with all export license and other official authorization requirements, to obtain any export license or other official authorization, and to carry out any customs or immigration formalities or similar requirements for the export of any Items covered by this Order. The Supplier also hereby expressly agrees to bear sole responsibility for obtaining export licenses or other official authorizations, if required, before utilizing foreign persons in the performance of this Order, including instances where the work is to be performed on-site at any Government installation, where the foreign person will have access to export-controlled technical data, equipment or software. Supplier also agrees to bear sole responsibility for all regulatory record keeping associated with the use of licenses or other official authorization and license exemptions/exceptions.

10.3.3 The Supplier shall notify the Purchaser if any Items under this Order is restricted by any applicable export control laws and regulations. The Supplier shall provide in writing to the Purchaser the export control classification of any export-controlled Items (e.g., the export classification under Canada Export Control List or DPA, US ITAR or EAR, Wassenaar Arrangement's List of Dual-Use, or other applicable export control list).

10.4 REACH

The Supplier shall comply, as applicable, to the European regulation (EC) n° 1907/2006 concerning the Registration, Evaluation, Authorisation and restriction of Chemicals (REACH). In

particular, if Items contain substances of very high concern (SVHC) as prescribed in EC n° 1907/2006, identification shall be included with the shipment. The identification should list SVHC-designated chemicals present in the purchased and/or delivered Item and the conditions under which handling precautions should be taken.

11 Visits and audits

- 11.1 During performance of this Order, authorized representatives of the Purchaser or its Customer, including internal or external auditors, shall have the right to visit the Supplier's facilities and the facilities of any of its service providers, and/or sub-tiers involved in the performance of the Order, at any time during normal business hours to conduct reviews, monitor, coordinate, or expedite performance and to secure necessary information for such purposes. Such visits will be coordinated with the Supplier's appropriate personnel to minimize any effect on the Suppliers' normal operations.
- 11.2 During performance of this Order, authorized representatives of the Purchaser or its Customer, including internal or external auditors, shall have the right to visit the Supplier's facilities and the facilities of any of its service providers, and/or sub-tiers involved in the performance of the Order, at any time during normal business hours to audit the Supplier's performance of its obligations under the Terms and Conditions, including but non limited to the means implemented to ensure its compliance with all applicable laws and regulations.
- 11.3 The visits or audits shall be carried out under the following conditions:
- Each visit shall be made according to a procedure agreed upon by the Parties.
 - The Purchaser shall have access to such relevant data as is reasonably necessary for the purpose of the visit or audit.
 - the Supplier shall assist and fully cooperate with authorized representatives of the Purchaser or its Customer, including internal or external auditors.
- 11.4 Each Party shall bear its own internal and external costs in relation to any visit or audit, except if the results of the visit or audit identify any breach by the Supplier of its obligations under the Terms and Conditions, in which case the Purchaser reserves the right to charge the Supplier with administrative, handling, or other costs incurred and time spent by the Purchaser in carrying out any such visit or audit.

12 Supplier associated obligations

- 12.1 The Supplier shall use all necessary means and resources for the proper performance of its obligations under the Terms and Conditions and/or the relevant Order, and in particular obtaining licences from third parties, supervisory and engineering departments, supplying the labour, materials, tools, means of transport, storage and training.

- 12.2 The Supplier shall keep all of the documentation relating to the Items and/or Services (particularly documentation on Tooling, design, manufacture and Support) for the life cycle of the Terms and Conditions and/or the Order in question and in any case for a period that, under no circumstances, can be less than the statutory period. Moreover, this documentation shall be made available to the Purchaser upon request by this latter and, in any case, upon expiry or termination of the Terms and Conditions and/or the Orders in question.
- 12.3 Furthermore, the Supplier agrees that any changes to the requirements of the Purchaser shall not give rise to additional indemnities or payments.
- 12.4 In the event that the Purchaser has worked with the Supplier or has supplied instructions or advice aimed at helping it to carry out the tasks defined in the Specific Terms and Conditions and/or the Orders, the Supplier alone shall remain responsible for carrying out these tasks.

13 Personnel

- 13.1 The Supplier shall ensure that members of its personnel have the qualifications, skills, knowledge and experience necessary for the proper performance of the Orders.

14 Subcontracting

- 14.1 The Supplier shall not subcontract all or substantially all of its obligations unless otherwise agreed in writing by the Purchaser. In any case, the Supplier shall be responsible for its subcontractors' compliance with all provisions of the Terms and Conditions that are relevant to the subcontracted work and the Supplier shall remain fully liable to the Purchaser for the proper performance of such provisions as if no such sub-contract had been entered into.

15 Independent contractors

- 15.1 Neither Party shall have the right to contract or in any other way to enter into commitments on behalf of or in the name of the other and shall not by course of conduct or otherwise hold itself out to third parties as having such authority. The relationship of the Parties under the Terms and Conditions shall be that of independent contractors.

16 Force Majeure

- 16.1 The Purchaser and the Supplier agree that a Force Majeure event shall suspend all obligations subject to said Force Majeure event with effect from the declaration and proof of said Force Majeure event from the Party that is subject to it. To do this, the Party affected by the Force Majeure event shall notify the other Party immediately of the impediment, the

probable date on which work on the Order shall resume, and keep the other Party regularly informed of the evolution of the situation and measures taken to remedy it.

- 16.2 As soon as the effects of the impediment caused by the Force Majeure event have ceased, and subject to the following provisions, the Party affected by the Force Majeure event shall inform the other Party immediately and the obligations that had been suspended shall be carried out for the remainder of the Order period.
- 16.3 If the Force Majeure event should continue for more than three (3) months, the Purchaser may terminate without delay, and without being held liable for any reason whatsoever, the Terms and Conditions and/or the on-going Orders (in full or in part) by sending written notice to the Supplier.

17 Penalties

- 17.1 Unless a Force Majeure event has been established, late delivery shall lead, by right and with no further formalities, to the application of penalties, which shall be calculated at a rate, unless specified otherwise in the Specific Terms and Conditions, of 1% of the Item and/or Service amount per calendar day commencing on the Day following the due delivery date.
- 17.2 Unless a Force Majeure event has been established, any non-conformity of an Item and/or Service regarding the Conditions, and/or the Order and/or Specifications shall lead, by right and with no further formalities, to the application of the following penalties:
- Technical and/or administrative anomaly detected upon reception and/or in the workshop by the Purchaser or its Customers: CA\$750.
 - Inventory differential (if responsible for procurement): the value of the inventory differential.
- 17.3 The penalties defined Articles 17.1 and 17.2 are not in full discharge or exclusive of any other remedy, the Purchaser reserving the right to terminate all or part of the Orders in question and/or request from the Supplier, in addition to penalties, payment for all other damage that may be a direct or indirect consequence of the late delivery or non-conformity. The Purchaser also reserves the right to deduct these penalties from its payments, to which the Supplier expressly agrees.

18 Warranties

- 18.1 The Supplier warrants that the manufacture, supply and support of the Item and/or Services:
- conforms to the Terms and Conditions and associated Orders;
 - conforms to the state of the art and technology;

- conforms to the results expected by the Purchaser and is suitable for the use that is to be made of it;
- is free from defects (including in design, selection of materials, manufacture, manpower and matter).

18.2 Without prejudice to any Specific Terms and Conditions that may have been agreed by the Parties, the Supplier shall, as part of the commercial warranty that it provides for the manufacture, supply and support of the Items and/or Services, replace or correct, as selected by the Purchaser, all or part of the defective Items without delay and at no cost to the Purchaser. This commercial guarantee is granted for a period of forty-eight (48) months with effect from delivery.

18.3 The commercial warranty defined herein is not exclusive of the statutory warranties from which the Purchaser benefits, and in particular the warranty against hidden defects.

19 Price, payments, taxes and duties

19.1 Item and/or Service prices are defined in the Order.

19.2 The prices in the Order include, and Supplier shall pay, all taxes, impositions, charges and exactions imposed on or measured by this Order, except for applicable sales and use taxes that are separately stated on Supplier's invoice. Prices shall not include any taxes, impositions, charges or exactions for which Purchaser has furnished a valid exemption certificate or other evidence of exemption.

19.3 Unless otherwise provided in the Order or Specific Terms and Conditions, the payment term shall be net thirty (60) days from latest of the following:

- i. Purchaser's receipt of the Supplier's proper invoice
- ii. Scheduled delivery date of the Item and/or Service
- iii. Actual delivery of the Item and/or Service

19.4 Payment made shall be subject to reduction to the extent of amounts which are found by the Purchaser or the Supplier not to have been properly payable and shall also be subject to reduction for overpayments. Supplier shall promptly notify Purchaser of any such overpayments and remit the amount of the overpayment except as otherwise directed by Purchaser.

19.5 Payment by the Purchaser shall be deemed to have been made for the purpose of meeting the payment term requirement on the date the Purchaser deposited the payment in the mail or made the electronic funds payment. Final payment shall not release the Purchaser from any warranty and indemnification provisions contained in the Order.

19.6 The Purchaser may withhold an appropriate portion of the payment until any disputed Items and/or Services are resolved and/or defects in the Items and/or Services are corrected.

20 Liability

20.1 The Supplier shall be liable to the Purchaser for all costs, losses, damages and liabilities, expenses, penalties and all losses that may be incurred by the Purchaser as a consequence of the failure by the Supplier to comply with all or part of its obligations, including but not limited to:

- costs and expenses incidental thereto such as legal fees or claims to be paid by the Purchaser to its Customers;
- any amount to be paid to another supplier as the consequence of the disturbance of the development or production activities;
- any loss of profit of any of the Purchaser or any of its Affiliates suffer as a consequence of the termination of these Terms and Conditions.
- Any amount to be paid by the Purchaser in order to remedy the failure of the Supplier and all costs associated to a relocation of any activities, manufacturing or support of Items and/or Service.

21 Insurance

21.1 Unless otherwise specified by the Purchaser in writing, the Supplier shall maintain and cause the Supplier's subcontractors to maintain during the term of this Order

- i. Workers' compensation insurance as prescribed by the law in which the Item or Service is performed;
- ii. Employer's liability ("EL") insurance with limits of at least CA\$2,000,000 (or the equivalent) for each occurrence;
- iii. Automobile liability ("AL") insurance if the use of motor vehicles is required hereunder, with limits of at least CA\$2,000,000 (or the equivalent) combined single limit for bodily injury and property damage per occurrence; and
- iv. Commercial General Liability ("CGL") insurance, including, without limitation, Blanket Contractual Liability and Broad Form Property Damage, with limits of at least CA\$2,000,000 (or the equivalent) combined single limit for bodily injury and property damage per occurrence.

All CGL and AL insurance shall designate the Purchaser, its affiliates, and its directors, officers, and employees as additional insured. All such insurance shall be primary and non-contributory and required to respond and pay prior to any other insurance or self-insurance available. If specifically requested by the Purchaser, the Supplier and the Supplier's subcontractors shall furnish, prior to the start of Item, certificates, or adequate proof of the foregoing insurance, including, without limitation, endorsements and policies. The policies evidencing required insurance shall contain an endorsement to the effect

that any cancellation or any material change adversely affecting the interest of the Purchaser or the Purchaser's Customer shall not be effective (1) for such period as the laws of the State in which this Order is to be performed prescribe or (2) until thirty (30) days after the insurer or the Supplier gives written notice to the Purchaser, whichever period is longer. Any other coverage available to the Purchaser shall apply on an excess basis. The Supplier agrees that the Supplier, the Supplier's insurer(s) and anyone claiming by, through, under or in the Supplier's behalf shall have no claim, right of action or right of subrogation against the Purchaser and the Purchaser's Customer based on any loss or liability insured against under the foregoing insurance. The Supplier's obligation to obtain the foregoing insurance does not waive or release the Supplier's liabilities or duties to indemnify under this Order.

22 Termination

22.1 Termination for Cause

22.1.1 The Purchaser may terminate all/any part of this Order by written notice to the Supplier if:

- i. The Supplier fails to provide the Item or support services within the time specified by this Order or any written extension authorized by The Purchaser;
- ii. The Supplier fails to perform any other provision of this Order or fails to make progress, so as to endanger performance of this Order, and, in either of these two circumstances, does not cure the failure to the Purchaser's satisfaction within ten (10) days after receipt of notice from the Purchaser specifying the failure; or
- iii. in the event the Supplier declares bankruptcy, suspension its business operation, or initiates any reorganization and/or arrangement for the benefit of its creditors.

The Supplier shall continue work not terminated. If the Order is terminated for cause the Purchaser may require the Supplier to transfer title and deliver to the Purchaser any completed Items or partially completed Items and materials, part, tool, dies, jigs, fixtures, plans, drawings, information, Specifications and Order rights that the Supplier has specifically produced or acquired for this Order. The Supplier shall protect and preserve property in its possession in which the Purchaser has an interest.

22.1.2 The Purchaser shall pay for completed Items and/or Services delivered and accepted in accordance with the prices set forth in the Order. The Purchaser and the Supplier shall agree on the amount of payment for in process materials, title to which has been transferred and delivered to the Purchaser. Failure to agree shall be a dispute and shall be settled under Article 33 Disputes. The Supplier shall submit all claims within sixty (60) days after the effective date of termination. In no event shall the Purchaser be obligated to pay the Supplier any amount in excess of the Order price. The rights and remedies provided the Purchaser in this clause are in addition to any other right or remedies provided by law or in equity.

22.2 Termination for Convenience

22.2.1 The Purchaser may terminate for any reason all or any part of this Order by written notice to the Supplier. In the event of such termination, the Supplier shall immediately cease all work terminated hereunder and cause any and all of its suppliers to cease work. The Purchaser shall have no liability for such termination except for liability for Items and Services actually rendered or expenses actually incurred prior to the effective date of such termination for which payment has not been made. The Supplier shall not be paid for any work performed or costs incurred that reasonably could have been avoided. Failure to agree shall be deemed a dispute and shall be settled under Article 33 Disputes. The Supplier shall submit all claims within sixty (60) days after the effective date of termination. In no event shall the Purchaser be obligated to pay the Supplier any amount in excess of the Order price. The Supplier shall continue work not terminated.

22.3 Effect of Termination: Upon any Order termination in accordance with this Article 22:

22.3.1 The Supplier shall fulfill the Purchaser' existing Items or Services communicated to the Supplier where a valid Order has been issued to and accepted by the Supplier prior to the Supplier's receipt of the Purchaser' written notice of termination, unless otherwise directed by the Purchaser in said notice. The Purchaser shall have no obligation to the Supplier for any Items manufactured for the Purchaser or existing Items or Services allocated for shipment to the Purchaser after the Supplier's receipt of the written notice of termination.

22.3.2 In the event of termination, the Purchaser's sole financial obligation to the Supplier shall be to pay for any Items or Services delivered to the Purchaser consistent with the Terms and Conditions of this Order, in which case payment shall be made within sixty (60) calendar days from the Purchaser's receipt of a valid invoice from the Supplier. The Purchaser shall have no obligation to the Supplier for payment of any costs, fees or expenses relating to its exercise of its termination rights hereunder, including but not limited to termination, restocking, demobilization, or any other manufacturing, logistics or administrative fees of any kind.

22.3.3 Each Party shall promptly deliver to the other Party (or destroy, if so requested by the other Party) all copies of all proprietary information (in any form or media) then in that Party's possession, except for such copies as reasonably are required to enable the Purchaser to exercise its license rights and make distribution of Items or Services as provided herein.

22.3.4 All warranties and license rights for any Items or Services delivered to the Purchaser hereunder shall survive termination or expiration, consistent with the Terms and Conditions of this Order.

22.3.5 Within sixty (60) calendar days following termination or expiration of this Order, The Supplier shall submit to the Purchaser an itemized invoice of any fees or expenses theretofore incurred under this Order. The Purchaser upon payment of accrued amounts

so invoiced and accepted shall thereafter have no further liability or obligation to The Supplier for any further fees, expenses or other payments.

23 Survival

23.1 All Articles herein which by their nature should survive the expiry or termination of the Terms and Conditions shall remain in force after such expiry or termination, including, but not limited to Articles 10 Compliance with the applicable laws and regulations, 18 Warranties, 20 Liability, 21 Insurance, 24 Intellectual property, 25 Confidentiality and publicity, 32 Severability, 33 Disputes, 34 Applicable law and venue and 35 Language.

24 Intellectual property

24.1 Each Party acknowledges that IP Rights shall remain the exclusive property of that Party. The use or inclusion of IP Rights in connection with this Order does not transfer ownership to the other Party. Any modifications or derivative works created based on IP Rights shall be owned by the Party that owns the original IP Rights, unless otherwise agreed in writing.

24.2 The Purchaser shall upon its creation be the sole owner of, and shall have full title to results and the Supplier shall take all necessary measures so that the Purchaser is entitled to benefit its intellectual property rights and to affix to all documents or other information formats constituting or including the results those markings that shall be specified by the Purchaser, excluding any of its own markings.

24.3 In order to allow the Purchaser to enjoy its right to use the results, the Supplier shall in particular provide the Purchaser, within the deadlines set out in the Orders, or, alternatively, at the Purchaser's request and at the latest upon expiry of the Order, all elements constituting the results, including, in particular, software source codes, the data necessary for the manufacture and use of the elements that have been delivered, all related documentation and all of the sets and plans that have been developed or obtained by the Supplier during the course of completing the Order.

24.4 The price of transferring these intellectual property rights is included in the price that has been agreed with the Purchaser for Item manufacture and or Service performance, supply and/or support.

24.5 In the event that the studies, developments, services and/or Items produced or Service performed by the Supplier for the Orders contribute to the development and/or creation of any element that is liable to benefit from copyright protection, and in particular computer programs and/or databases, the Supplier shall transfer all of the property rights in said elements to the Purchaser at the time of their creation.

24.6 To be transferred in particular under the Order are the rights to use said elements, to reproduce them or to have them reproduced, permanently or temporarily, to modify, translate, present to third parties and to place them on the market. These rights are

assigned for all countries around the world, for all types of use and for all formats and/or means of communication, reproduction and use.

- 24.7 In the event that the results or the elements of know-how included in the results are liable to be the subject of a filing with national or local patent offices, with specialist agencies or judicial officers in order to obtain or register an exclusive right, the Purchaser alone can make such filing in its own name and at its own expense and the Supplier shall take all necessary measures so that the Purchaser can make such filings and obtain the related title and/or intellectual property rights and in particular supply it with any necessary document and signature.
- 24.8 The Supplier guarantees the Purchaser against any third-party claims on issues of industrial, literary or artistic property for the elements that it uses or delivers and shall take charge of all costs, including lawyer fees and financial awards, that the Purchaser may incur. Further, the Supplier shall, at its own expense, either obtain for the Purchaser the right to continue to use the elements delivered or replace or modify the elements delivered so that they no longer represent an infringement, at the same time assuring the functions that were initially provided for in the Order or, if this should be difficult to achieve, to take back all of the elements that have been delivered and replace them with equivalent elements approved by the Purchaser, all of this without prejudice to compensation for the Purchaser. Furthermore, the Supplier declares that any delivery to the Purchaser shall be deemed to exhaust its intellectual property rights and, consequently, it expressly waives any intention to bring a claim for infringement against the Purchaser, its intermediaries and its Customers for the possession, use, repair, import and/or trading of any one of the elements that the Supplier has delivered to the Purchaser as part of the Orders. These infringement warranties and the obligations that arise therefrom shall continue to have effect for as long as any one of the elements delivered remains in use by the Purchaser.

25 Confidentiality and publicity

- 25.1 The Supplier shall keep confidential, during the lifecycle of the Orders and/or the Terms and Conditions and for ten (10) years following expiry and/or termination thereof, the information of any kind whatsoever and in any format whatsoever that has been accessible to it by the Purchaser during the course of pre-contract negotiations and during the course of preparing the Orders.
- 25.2 The Supplier warrants that its employees shall comply with the confidential character of said confidential information.
- 25.3 The confidentiality obligation shall remain for as long as:
- the information is not in the public domain;
 - the Purchaser has not given its prior written Terms and Conditions to disclosure.

25.4 The confidentiality obligation shall not apply to information:

- That is known to the general public at the time that the Purchaser makes it available to the Supplier;
- Of which the Supplier is legitimately aware before the Purchaser makes it available to it, on condition that the Supplier can supply evidence in the form of written documents carrying a definite date;
- That has been legitimately communicated to the Supplier by a third party.

25.5 Under no circumstances and in no way whatsoever can the Orders give rise to direct or indirect publicity without the written permission of the Purchaser. The Supplier shall display the Items and/or the Orders only with the prior written permission of the Purchaser.

26 Assignment

26.1 The Terms and Conditions have been agreed *intuitu personae* with the Supplier, and the rights and/or obligations and/or benefits and/or remedies defined in the Terms and Conditions may not be assign or transfer, for all or part, to any other third party by the Supplier without the prior written consent of the Purchaser.

27 Amendments

27.1 The Terms and Conditions shall not be amended except by specific Terms and Conditions in writing signed by the duly authorised representatives of the Parties.

28 Entire Terms and Conditions

28.1 The Terms and Conditions supersede all previous understandings between the Parties whether oral or written, with respect to the purpose of the General Terms and Conditions, Specific Terms and Conditions and/or any relevant Order.

These Terms and Conditions shall take precedence over and supersede any and all terms and conditions contained in any quotation, invoice, or any other document provided to the Purchaser. Any other terms and conditions are hereby deemed inapplicable and shall have no effect. In the event of any conflict between the terms outlined herein and those contained in any other document addressed to the Purchaser, these Terms and Conditions shall govern and prevail.

28.2 Subject to the provisions of Article 3 Precedence, the General Terms and Conditions, Specific Terms and Conditions, any relevant Order, and/or any other document incorporated by reference herein shall be considered as one (1) and the same document

to form the complete contract between the Purchaser and the Supplier with respect to the Item to be supplied and/or the Service to be provided under the relevant Order.

29 Notices

29.1 Unless otherwise agreed by the Parties, any notices required or permitted to be given hereunder shall be in writing and shall be deemed to be duly given when received if sent by mail to each Party's address as stated on the Order, or when delivered by hand, by email or by facsimile transmission if the transmittal report indicates that the facsimile was sent successfully; and each communication shall be addressed as follows to the Purchaser, unless and until any Party notifies the other in accordance with this section of a change of address:

If to the Purchaser:

Stelia Aerospace North America Inc
71 Hall Street, Lunenburg, NS, B0J 2C0, Canada
Fax: +1 902 634 8398
Email: scmsna@stelia-northamerica.com

30 Waiver

30.1 Failure or delay at any time of the Purchaser to enforce any provision of the Terms and Conditions or any part thereof shall not constitute a waiver of such provision or affect the validity of the Terms and Conditions or any part thereof, nor shall it prejudice the rights of the Purchaser to enforce such provision at a subsequent time.

31 Retention of records

31.1 Unless a longer period is specified in this Order or by law or regulation, the Supplier shall retain all records related to this Order for five (5) years from the date of final payment received by the Supplier. Records related to this Contract include, but are not limited to, financial, proposal, procurement, specifications, production, inspection, test, quality, shipping and export, and certification records. At no additional cost, the Supplier shall timely provide access to such records to the Purchaser upon request.

32 Severability

32.1 In the event any provision or clause of the Order conflicts with governing law or if any arbitration panel or court of competent jurisdiction holds invalid any provision or clause of the Order, such provision or clause shall be deemed to be modified to reflect as nearly as possible the parties' intent. The remainder of the Order shall remain in full force and effect.

33 Disputes

- 33.1 The Purchaser and the Supplier intend that the definition of Dispute shall have the broadest scope permitted by law and that, without limiting the generality of the foregoing, shall be deemed to include all claims between the parties, including, but not limited to, any claims for fraud, misrepresentation, negligence, libel and slander, misuse or theft of trade secrets or other confidential information, unfair competition, unfair trade practices, or other tort law claims.
- 33.2 The Parties agree that any Dispute between them or against any agent, employee, successor, or assign of the other shall be settled, to the extent possible by good faith negotiations. Any Dispute which the Parties cannot resolve by good faith negotiations within three (3) months, or such longer period as the Parties may mutually agree to, shall be submitted and finally resolved by a court of competent jurisdiction.
- 33.3 Until final resolution of any Dispute hereunder, the Supplier shall proceed diligently with the performance of this Order unless otherwise directed by the Purchaser in writing.
- 33.4 The Purchaser's rights under the Terms and Conditions of this Order are cumulative and in addition to any other rights available at law or equity.

34 Applicable law and venue

- 34.1 The Purchaser and the Supplier agree that this Order shall be deemed to have been executed and delivered within the province of Nova Scotia, Canada and the rights and obligations of the Parties shall be construed and enforced in accordance with and governed by the laws of the province of Nova Scotia, Canada without regard to conflict of laws rules. The United Nations Convention on the International Sale of Goods shall not apply. All claims or disputes arising under or in any way related to this Order, including those relating to the validity of this Order, which cannot be resolved by the Parties through negotiations within thirty (30) calendar days or such longer period of time as may be mutual agreed in a written document that is signed by a duly authorized representative of each Party shall be resolved by the provincial or federal courts. Venue for any action brought under or relating to this Order shall exclusively be in a provincial or federal court of competent jurisdiction in the province of Nova Scotia, Canada. The parties hereby irrevocably waive any right to challenge such venue on the basis of *forum non conveniens* or otherwise. The Parties further agree and consent to accept service of process by certified or registered Canadian mail, return receipt requested, addressed as provided herein. In the event that an action is commenced by either Party with respect to this Order, the substantially prevailing Party shall be entitled to recover its costs and lawyer' fees from the other Party.

35 Language

- 35.1 These General Terms and Conditions, Specific Terms and Conditions and/or any relevant Order have been drawn up in English and only this language version shall be authentic. Any translation of these documents into a language other than English shall be for information purposes only. All notices, correspondence, communication and documentation to be issued, exchanged or delivered to either Party in connection with the performance of these documents shall be in English.

Appendix A Supplier Code of Conduct

Airbus is committed to ensuring that its business practices comply with all applicable laws, regulations and ethical business standards and principles, and to developing a culture of responsibility, integrity and sustainability. **Stelia Aerospace North America, a wholly owned Airbus subsidiary, embraces this commitment.**

As a signatory to the United Nations Global Compact, Airbus is committed to its core values in respect of human rights, labour and environmental practices, both within its organization and through its business relationships. In particular, Airbus and Stelia have a zero tolerance for all forms of corruption, modern slavery and child labour, whether public or private.

As a supplier to Stelia, you are an integral part of its ecosystem and therefore a key contributor to one of its objectives to continuously improve the way supply chains are managed. This Supplier Code of Conduct is built on the model of the International Forum on Business Ethical Conduct and defines the basic requirements placed on Stelia's suppliers and third parties. It also represents Stelia's values and principles in line with internationally recognized standards and conventions. Stelia requires commitment to responsible business practices and sustainable development from all its suppliers. Wherever suppliers are located, all business shall be conducted in compliance with this Supplier Code of Conduct. Suppliers are also expected to cascade these principles through their own supply chain and go beyond legal compliance in order to advance in social and environmental responsibility and business ethics. Our joint commitment is a key element in securing our success, conformance to applicable laws and a sustainable future of our industry.

A.1 Compliance with Laws

Suppliers shall comply with all laws and regulations applicable to their business, including the local laws and regulations of all countries outside their home country in which operations are managed or services are provided.

A.2 Human Rights

Suppliers are expected to conduct their business and operations in a way that respects human rights by treating their own workers, and those working for their suppliers, with dignity and promoting fair employment practices. This includes providing fair and competitive wages, prohibiting harassment, bullying and discrimination, prohibiting use of children, forced, bonded or indentured labour or prison labour and not engaging in trafficking of persons for any purpose.

Suppliers are expected to identify risks and actual adverse human rights impacts related to their activities and through their business relationships. They should take appropriate steps to reduce risk and ensure their operations do not cause or contribute to human rights abuses and to remedy any adverse impacts directly caused, or contributed to, by their activities or through business relationships.

A.2.1 Child labour

Suppliers shall ensure that child labour is not used in the performance of work. The term “child” refers to any person under the minimum legal age for employment where the work is performed, and/or the minimum working age defined by the International Labour Organization (ILO), whichever is higher.

All workers under the age of 18 shall be protected from performing work that is likely to be hazardous or that may be harmful to their health, physical, mental, social, spiritual, or moral development.

A.2.2 Modern slavery

Suppliers shall prevent any involvement in all forms of modern slavery, including human trafficking, forced, bonded or indentured labour.

All work should be voluntary on the part of the employee.

Suppliers are expected to provide all employees with a written contract in a language they understand clearly indicating their rights and responsibilities with regard to wages, working hours, benefits and other working and employment conditions.

Suppliers should not retain any form of employee identification (passports or work permits), nor destroy or deny access to such documentation, as a condition of employment unless required by applicable law.

Suppliers shall not charge employees fees, recruitment costs or deposits, directly or indirectly, as a precondition of work.

Suppliers shall respect the right of workers to terminate their employment after reasonable notice and to receive all owed salary.

Suppliers shall respect the right of workers to leave the workplace after their shift (see also A.3.3 Wages and benefits and A.3.4 Iteming hours).

A.3 Employment Practices

A.3.1 Harassment and bullying

Suppliers are expected to ensure that their employees are afforded an employment environment that is free from physical, psychological, sexual, and verbal harassment, intimidation or other abusive conduct.

A.3.2 Diversity and inclusion

Suppliers are expected to foster a diverse and inclusive work environment where employees are treated with dignity, respect and fairness, regardless of their race, colour, religion, gender, age, ethnic or national origin, disability, sexual orientation or preference, gender identity, marital status, citizenship status, political preference or other personal characteristic.

Suppliers are expected to provide equal employment opportunity to employees and applicants for employment without discrimination and comply with all non-discrimination laws and regulations. Suppliers shall ensure employment, including hiring, payment, benefits, advancement, termination and retirement, based on ability and not any personal characteristics.

A.3.3 Wages and benefits

Suppliers shall pay workers at least the minimum compensation required by local law and provide all legally mandated benefits. In addition to payment for regular hours of work, workers shall be paid for overtime at such a premium rate as is legally required or, in those countries where such laws do not exist, at least equal to their regular hourly payment rate.

Suppliers shall not permit deduction from wages as a disciplinary measure nor permit any other deductions which are not provided by national law.

A.3.4 Iteming hours

Suppliers are expected to operate in consideration of the International Labour Organisation (ILO) standards regulating working, resting hours, maximum consecutive days of work and annual leave. Hours worked beyond the normal work week shall be voluntary and suppliers shall provide a rest period of at least 24 consecutive hours in every seven-day period to all their employees.

A.3.5 Social dialogue and freedom of association

Suppliers are expected to respect the rights of workers to associate freely and communicate openly with management regarding working conditions without fear of harassment, intimidation, penalties, interference or reprisals.

Suppliers are expected to recognize and respect any rights of workers to exercise lawful rights of free association, including joining or not joining any association of their choosing within the appropriate national legal framework.

A.3.6 Disciplinary and grievance mechanism

Suppliers are expected to have an employee disciplinary process in place to address concerns regarding employee work, conduct or absence.

Suppliers are expected to have a grievance mechanism for employees to raise a workplace problem or concern or to appeal a disciplinary decision.

A.3.7 Migrant workers

The term “migrant worker” refers to a person who is to be engaged, is engaged or has been engaged in a remunerated activity in a country of which they are not a national. Suppliers shall ensure that migrant workers are employed in full compliance with the immigration and labour laws of the host country.

A.4 Integrity & Business Ethics

A.4.1 Anti-corruption laws

Suppliers shall comply with all anti-corruption laws and regulations applicable to the performance of its obligations and activities in its relationship with Stelia. See detailed provisions in Article 10.2.

Suppliers are expected to put in place a compliance programme tailored to the risks of their business and to conduct reasonable due diligence to prevent and detect corruption in all business arrangements, including purchasing contracts, partnerships, joint ventures, offset Orders, and the use of third parties such as agents or consultants.

A.4.2 Illegal payments

Suppliers shall not offer, promise, make, accept or agree to accept any improper payments of money or anything of value to government officials, political parties, candidates for public office, or other persons. This includes a prohibition on so-called facilitation or 'grease' payments intended to expedite or secure performance of a routine governmental action like obtaining a visa or customs clearance, unless there is a formal governmental legal fee schedule for such expediting services and the government provides receipts. Personal safety payments are permitted where there is an imminent threat to health or safety.

Suppliers shall not offer any illegal payments to, or agree to receive any illegal payments from, any customer, supplier, their agents, representatives or others. We expect suppliers to prohibit their employees from receiving, paying, and/or promising sums of money or anything of value, directly or indirectly, intended to exert undue influence or improper advantage. This prohibition applies even in locations where such activity may not violate local law.

A.4.3 Fraud and deception

Suppliers shall not seek to gain an advantage of any kind by acting fraudulently, deceiving people, making false claims or allowing anyone else representing them to do so. This includes defrauding or stealing and any kind of misappropriation of property or information.

A.4.4 Competition and antitrust

Suppliers shall not enter into formal or informal anti-competitive arrangements that fix prices, collude, rig bids, limit supply or allocate/ control markets. They shall not exchange current, recent, or future pricing information with competitors. Suppliers shall not participate in a cartel or any activity that would unlawfully restrain or impact competition.

A.4.5 Gifts & business courtesies

Suppliers are expected to compete on the merits of their products and services. Suppliers shall not use the exchange of business courtesies to gain an unfair competitive advantage. In any business relationship, suppliers shall ensure that the offering or receipt of any gift or business courtesy is permitted by applicable laws and regulations, and that these exchanges do not violate the rules and standards of the recipient's organization, and are consistent with reasonable

marketplace customs and practices. No cash gifts or cash equivalent should be offered or accepted.

A.4.6 Insider trading

Suppliers and their personnel shall not use any material or non-publicly disclosed information obtained in the course of their business relationship with Stelia as the basis for trading or for enabling others to trade in the stock or securities of any company.

A.4.7 Conflict of interest

Suppliers are expected to avoid all conflicts of interest or situations giving the appearance of a conflict of interest. Suppliers will provide immediate notification to all affected parties in the event that an actual or potential conflict of interest arises. This includes a conflict between Stelia and personal interests or those of close relatives, friends or associates.

A.5 Environment, Health & Safety

A.5.1 Environmental, health & safety management system

Suppliers are expected to conduct their business in a manner that actively manages environmental risks across their operations, products and supply chain.

Suppliers are expected to establish an appropriate environment management system (e.g., ISO14001 or equivalent), including policies and procedures aimed at effectively managing their environmental performance, including integrating environmental considerations into their product design or service.

Suppliers are expected to establish an appropriate health and safety management system (e.g., ISO45001 or equivalent) including policies aimed at protecting the health, safety and welfare of employees, contractors, visitors and others who may be affected by their activities by striving to eliminate fatalities, work-related injuries, health impairment and limiting exposure to safety hazards.

Suppliers should take reasonable steps to provide a hygienic working environment and shall ensure that employee's performance and safety is not impaired by alcohol, controlled substances, legal and illegal drugs.

Suppliers shall comply with all applicable environmental, health and safety laws and regulations.

A.5.2 Substances and chemical management

Suppliers are expected to anticipate future regulatory constraints on some chemicals/substances in order to ensure continuity of supply.

A.5.3 Sustainable product and process development

Suppliers should make their best effort to develop, manufacture and deliver innovative products and processes that have the lowest possible environmental impact throughout the lifecycle.

Suppliers are expected to reduce their climate change impact, improve their efficiency of usage of energy, water and natural resources, minimize waste and use of hazardous materials, dispatch goods in an adequate outer packaging and foster reusable / recycled packaging materials such as reduced usage of single used plastic and responsibly manage their air emissions.

A.6 Product Safety

A.6.1 Safety engagement

Suppliers are expected, by their own organization and processes, to actively support Product Safety and contribute to the continued airworthiness and safety regulations.

Suppliers are expected to ensure that each of their employees is fully engaged, does their utmost to ensure that product safety is never compromised, and never forgets that the lives of passengers, airline personnel and fellow employees depend on their personal commitment for product safety.

A.6.2 Alertness and sharing in the regulatory framework

Suppliers shall maintain continued airworthiness and safety and shall dully report potential safety issues to Stelia as per applicable regulation.

Suppliers are expected to proactively report to Stelia, based on their own engineering judgment, any events which may potentially impact the product safety and/or the safety of the product operations.

A.7 Information Protection

A.7.1 Protecting sensitive, confidential and proprietary information

Suppliers are expected to ensure that all sensitive, confidential and proprietary information is appropriately protected.

Suppliers shall comply with all applicable data privacy laws and regulations.

Suppliers shall protect the sensitive, confidential and proprietary information of others, including personal data/information, from unauthorized access, destruction, use, modification and disclosure, through appropriate physical and electronic security procedures, including mitigating emerging risk to information systems by implementing appropriate IT cybersecurity programmes.

Suppliers shall report to Stelia any suspected or actual data breaches or security incidents as soon as they are aware.

A.7.2 Intellectual property

Suppliers shall comply with all the applicable laws governing intellectual property rights assertions, including protection against disclosure.

A.8 Global trade and export control

A.8.1 Import

Suppliers shall ensure that their business practices comply with all applicable laws, directives and regulations governing the import of parts, components, technical data and services.

A.8.2 Export control

Suppliers shall ensure that their business practices comply with export control laws and regulations, including compliance with sanctions and embargoes legislation. Suppliers shall provide truthful and accurate export control classification, information and obtain export control licences or authorizations when required and shall communicate any declarations where necessary. See detailed provisions in Article 10.3.

A.8.3 Responsible sourcing of minerals

Suppliers shall comply with applicable laws and regulations regarding direct and indirect sourcing of critical material and conflict minerals (i.e., when integrated in purchased products). Those materials include “conflict minerals” (tin, tungsten, tantalum and gold), rare-earth elements, as well as other minerals or metals (e.g., bauxite, cobalt, titanium, lithium).

Suppliers shall establish a policy and a management system to reasonably assure that the “conflict minerals” as well as critical material, which may be contained in the products they deliver are sourced responsibly (i.e., with limited environmental impacts and not detrimental to Human Rights).

Suppliers shall support efforts to eradicate the use of any conflict minerals which directly or indirectly finance, or benefit armed groups that are perpetrators of serious human rights abuses.

Suppliers are expected to conduct due diligence and provide Stelia with supporting data on their sources and supply chain of custody for these minerals when requested, and to identify to Stelia any potential doubt on the origin and/or on the production means. In the event that the material ‘chain of custody’ supplied is “indeterminable” or otherwise unknown, the supplier is expected to either obtain the appropriate certifications or phase out that source of minerals.

A.8.4 Counterfeit Items

Suppliers are expected to develop, implement, and maintain effective methods and processes appropriate to their products to minimize the risk of Counterfeit Items being delivered. Effective processes should be in place to detect, report and quarantine Counterfeit Items and to prevent such parts re-entering the supply chain. If Counterfeit Items are detected or suspected, suppliers should provide immediate notification to the recipients of such Counterfeit Items. See detailed provisions in Article 9.

A.8.5 Payment of taxes

Suppliers shall ensure they comply with all applicable tax laws and regulations in the countries where they operate and be open and transparent with the tax authorities. Under no circumstances

should suppliers engage in deliberate illegal tax evasion or facilitate such evasion on behalf of others.

As such, suppliers shall put in place effective controls to minimise the risk of tax evasion or its facilitation, and provide appropriate training, support and whistleblowing procedures to ensure their employees understand and implement them effectively and can report any concerns.

A.8.6 Payment practices

Suppliers are expected to be fair and reasonable in their payment practices and pay undisputed and valid invoices on time in accordance with agreed contractual payment terms and applicable laws.

A.9 Maintain Accurate Records

Suppliers are expected to create, store and maintain business records, and not alter any record entry to conceal or misrepresent the underlying transaction represented by it.

Suppliers are expected to have in place appropriate related controls to ensure the above activities are accurately and securely performed.

All records, regardless of format, made or received as evidence of a business transaction shall fully and accurately represent the transaction or event being documented. Records should be retained based on the applicable retention requirements. See detailed provisions in Article 31.

A.10 Governance & Management Systems

A.10.1 Speak up culture and whistleblower protection

Suppliers are expected to provide employees and third parties with access to adequate reporting channels to seek advice or raise legal or ethical concerns without fear of retaliation, including opportunities for anonymous reporting. Suppliers are expected to take action to prevent, detect and correct retaliatory actions.

A.10.2 Consequences for violating the code

In the event that the expectations of this Code are not met, the business relationship may be reviewed and corrective action pursued subject to the terms of the General Terms and Conditions.

A.10.3 Airbus open line

Stelia Aerospace North America, a wholly owned Airbus subsidiary. Therefore, the Airbus OpenLine is available to suppliers and their employees, as a secure and confidential channel through which they may, on a voluntary basis, raise alerts related to Stelia in the areas of bribery, human rights, environment and health and safety and product safety. This medium is available through the Airbus OpenLine website (www.airbusopenline.com) in 13 languages.

A.11 Supplier Commitment

The Supplier agrees that it shall comply with the principles of this Supplier Code of Conduct either by applying this Supplier Code of Conduct or by ensuring that the Supplier's own code of conduct and current sustainability practices towards its supply chain are consistent with the principles set out in this Supplier Code of Conduct. The Supplier shall take the necessary actions to flow down these Supplier Code of Conduct principles to its affiliates, subsidiaries and to their subcontractors involved in business with Stelia.