

## 1. DEFINITIONS

- 1.1. "Buyer" shall mean Marshall Aerospace Canada Incorporated.
- 1.2. "Supplier" shall mean the person(s)/company specified on the Purchase Order.
- 1.3. "Purchase Order" shall mean the purchase order issued by the Buyer to the Supplier for the supply of the Goods and/or Services.
- 1.4. "Contract" shall mean the Purchase Order, these Conditions, the Specification(s), the Drawings and all other documents which are incorporated by reference made in the Purchase Order.
- 1.5. "Goods" shall mean all articles and materials supplied under the Contract.
- 1.6. "Services" shall mean all services performed under the Contract.
- 1.7. "Conditions" shall mean these general Terms and Conditions of Purchase.
- 1.8. "Intellectual Property Rights" shall mean without limit patents, copyright, registered designs, design rights, trademarks, trade secrets, unpublished know how, topographic rights and other rights of a like nature.
- 1.9. "Specifications" shall mean the specifications for the Goods and/or Services referenced on the Purchase Order.
- 1.10. "Drawings" shall mean the drawings for the Goods and/or Services specified on the Purchase Order.
- 1.11. "Price" shall mean the price for the Goods and/or Services specified in the Purchase Order.
- 1.12. "Amendment" shall mean any variation of the requirements of the Contract by an authorized representative of the Buyer in writing.
- 1.13. "Party" shall mean either the Buyer or the Supplier
- 1.14. "Parties" shall mean the Buyer and the Supplier

## 2. Terms and Conditions

- 2.1. This Purchase Order (PO) represents an agreement between Marshall Aerospace Canada Inc. hereinafter referred to as the Buyer, and the Supplier shown on the face of the PO. This PO shall not be binding on the Buyer until accepted by the Supplier.
- 2.2. The Supplier shall deliver the goods and/or services listed on the PO to the Buyer at the Ship To address shown on the face of the PO, hereinafter referred to as the Destination. Delivery or deliver shall mean the act by which the Supplier delivers or causes the articles and/or services to be delivered to the required location in accordance with the terms of this PO.

- 2.3. The Supplier shall not assign or subcontract in whole or in part this PO without the Buyer's prior written consent. Where such consent is given the Supplier shall ensure that all obligations are flowed down, and that the Buyer's rights are fully preserved.
- 2.4. The Supplier shall ensure that the packaging used is adequate to protect goods in transit against damage of any kind and to ensure the safe arrival of the goods at the Destination.
- 2.5. The Supplier shall be fully responsible and accountable for the actions, omissions and neglects of its staff and subcontractors employed or engaged by the Supplier in the performance of all services. All staff employed or engaged by the Supplier or its subcontractors to operate on site shall comply with and the Buyer's works regulations including all security requirements.
- 2.6. Prior to commencing work on site, the Supplier shall ensure a Job Site Review (GS-001-02-01) is completed for their respective companies and any of their subcontracts. The Supplier may be required to produce risk assessments and method statements to ensure the task has been understood and will be safely managed.
- 2.7. All goods delivered shall be manufactured and supplied in accordance with all relevant technical specifications, process specifications and performance specifications. All services performed shall be carried out in accordance with all relevant technical specifications, process specifications and performance specifications. Unless specified to the contrary the latest revision or issue status of the approved design data shall be used for all goods delivered or services performed.
- 2.8. Should the Supplier be unable to meet any of the PO requirements or Terms and Conditions, full details of any non-conformance must be supplied without delay to the Buyer named on the PO. These details should include any request to accept a non-conformity together with reasoning to support such a request. This request will be evaluated by MACI. If approval is given this will be shown in the form of a written amendment confirming the change and any conditions to be applied. Examples of written amendments may include email communications and Purchase Order modifications at MACI's discretion. No non-conforming goods or services shall be delivered without formal instruction in writing. The Buyer shall be under no obligation to accept any non-conforming goods.
- 2.9. The Supplier's quality system shall ensure that any goods or raw materials supplied under this PO, including those supplied by subcontractors at any level of the supply chain, do not contain suspect or counterfeit parts. The Buyer will not accept unapproved or counterfeit parts relating to this PO. The liability to replace unapproved or counterfeit parts shall lie with the Supplier including all costs of replacement.
- 2.10. The Supplier shall maintain a Quality Assurance system suitable to support the delivery/performance of Quality Assured goods/services in support of the Buyer. The Supplier shall retain all records relating to the goods/services delivered/performed for a minimum of seven years after delivery/service completion.
- 2.11. The Supplier shall provide all relevant information to allow the safe storage and handling of the delivered goods. This shall include, without limitation, all necessary safety data sheets which shall be supplied with each delivery against this PO. The Supplier shall provide the information necessary for all changes introduced by the services, or any objects affected by the services, to be handled, operated and used safely.
- 2.12. All goods, sold to the Buyer which contain any substance of very high concern as defined under the latest Registration, Evaluation, Authorization and Restriction of Chemicals (REACH) legislation are to be positively identified and all relevant documentation for their safe management supplied.
- 2.13. All goods supplied shall comply with all applicable environmental and regulatory compliance statutes at the latest revision, including but not limited to a) The Montreal Protocol, b) The Waste Electrical and Electronic Equipment (WEEE) regulations, c) Restriction of Hazardous Substances (RoHS)

- 2.14. All goods supplied shall be 100% free of Asbestos in accordance with the Control of Asbestos Regulations and shall not contain any Conflict Minerals as defined in the United-States Dodd-Frank Wall Street Reform and Consumer Protection Act, section 1502 on Conflict Minerals.
- 2.15. The Supplier warrants that it has the legal right to transfer title in all goods supplied and that all such goods are free of any lien. The Supplier warrants that all goods or services supplied shall comply with any statute, statutory rule, order or other instrument having the force of law applicable at the time of Delivery. The Supplier further warrants that all goods or services supplied shall comply in all respects with the requirements of this PO, including conformance to relevant technical specifications, process specifications, performance specifications, descriptions and samples, where applicable, and that all goods or services supplied shall continue to conform to same for a period of no less than 12 months after delivery or such longer time as stated on the PO. Should any of the above warranties be breached the Supplier shall repair or replace the goods or undertake compliant performance of the services, in either case at no cost to the Buyer.
- 2.16. The Supplier warrants that it has the capacity, resources, competency, capability and ability to deliver the goods or services stated in the PO.
- 2.17. The responsibility for product liability lies with the Supplier to the extent that it is defined within this document.
- 2.18. The Supplier shall be solely responsible for, and shall indemnify The Buyer in respect of all injury, loss or damage occurring to any property or to any person whatsoever and against any and all actions, suits, claims, demands, costs, liability, damages, charges and expenses to the extent that the same is occasioned by the negligence or default or breach of statutory duty, regulations, or by-laws by the Supplier, its subcontractors or their employees during the performance of this PO.
- 2.19. The Supplier shall at its own expense procure and maintain insurance against any such claims, losses, damages, liabilities and expenses arising under this PO and, upon request by the Buyer, shall furnish evidence of such coverage.
- 2.20. Unless stated otherwise on the face of the PO all prices are firm, fixed and are not subject to any form of surcharge or variation. They include all costs excluding any Value Add Tax (Sales, or Federal Tax), Customs, Duties, etc.
- 2.21. The Buyer shall make payment to the Supplier for all valid invoices within the terms already agreed between the Buyer and the Supplier, as set up within the Buyer's supply chain account, or within 30 days of the date of the invoice where no such agreement exists. The Buyer reserves the right to withhold payment for any goods or services not supplied in accordance with the requirements of the PO provided that the Buyer has informed the Supplier of the reason for non-payment.
- 2.22. Title to the goods and services shall transfer to the Buyer on completion of payment to the Supplier. In the event that goods are consumed or utilized in a higher assembly prior to payment being made the Buyer shall act as fiduciary bailee until such time as payment is made.
- 2.23. The Supplier shall use the shipping method stated on the face of the PO to arrange delivery, including adherence to any applicable INCOTERMS stated.
- 2.24. Risk in the goods shall pass to the Buyer after the goods have been inspected and approved at the destination requested, including when The Buyer arranges for transport of goods.
- 2.25. Time of delivery of the goods or services is the essence of this PO. Any failure to deliver the goods or perform the services in accordance with the PO shall entitle the Buyer to cancel the PO without any payment in respect of the goods or services cancelled and to claim damages against the Supplier. Should any delay be attributable to the Buyer or an event beyond the reasonable control of the Supplier,

this could constitute an excusable delay and a reasonable adjustment to the contractual time of delivery could be made. Any failure to deliver or perform on the part of lower tier suppliers is specifically excluded as an excusable delay unless such lower tier supplier shall have been subject to an event beyond their reasonable control.

- 2.26. All release documents, Certificate of Conformity and commercial invoices shall bear the PO number. Where appropriate, release documents and c of c shall accompany the goods. Invoices shall be addressed to Accounts Payable at the address shown on the PO.
- 2.27. The Buyer reserves the right to reject any goods or services which are shown to be faulty in design or concept, quality or workmanship or which fail to satisfy the requirements of the PO. The Buyer further reserves to itself or its agents the right to visit the Suppliers works to check on work in progress and view all appropriate records at any reasonable time. Without prejudice to any other remedy, in the case of breakdown or failure of any description due to defective materials, performance or workmanship, the Buyer shall have the option of either replacing the goods or requiring replacement / correction by the Supplier, within a given timescale chosen by the Buyer or where applicable arranging for the services to be performed by the Buyer or another Supplier, in either case entirely at the Suppliers cost, including all costs properly incurred by the Buyer.
- 2.28. All goods subject to a restricted shelf life shall have a minimum of 75% of their shelf life remaining at the time of shipment unless the Buyer's prior written approval is given. In addition, such items shall be supplied complete with a copy of the certification from the original manufacturer and shall be clearly identified on their packaging and release documentation, c of c with the relevant cure date, date of manufacture, shelf life and/or time expired date.
- 2.29. All goods shall be supplied with a Certificate of Conformity which validates the goods as conforming product. POs for the supply of raw material shall be accompanied by a Certificate of Conformity together with mill test certificates providing traceability to batch and lot level. All services performed shall be accompanied by a Certificate of Conformity.
- 2.30. The Supplier shall promote awareness of how personnel contribute to product/service conformity and safety and the need to ensure that the Buyer is informed of all product malfunctions/defects/airworthiness issues identified during the course of fulfilling this PO. Evidence will be available for audit at the discretion of MACI.
- 2.31. The Buyer reserves the right to request an amendment to this PO at any time. If such a request requires additional work to the Supplier, an agreed equitable adjustment will be made to the price and / or the Delivery schedule. No amendment shall be made to the terms of this PO unless agreed in writing by a duly authorized official for the Buyer, including change requests made on subsequent Supplier paperwork such as Delivery notes and invoices.
- 2.32. At the discretion of the MACI, the Buyer may cancel this order at any time by giving written notice to the Supplier. Should this right be exercised for any reason other than default by the Supplier then the Buyer shall pay the Supplier a reasonable price in respect of goods and materials purchased/ costs unavoidably incurred by the supplier or made solely in support of this PO but shall otherwise be free from any liability. Such reasonable price will be reached through mutual agreement and shall in any case not exceed in total the price that would have been paid had the PO been completed.
- 2.33. Should the Supplier fail to comply with any of the requirements of this PO the Supplier shall be deemed to be in default. The Buyer reserves the right to cancel the PO without any payment whatsoever in respect of the goods/services cancelled and, where appropriate, to claim damages against the Supplier.
- 2.34. The Buyer reserves the right to cancel the PO summarily by written notice and without compensation if the Supplier becomes bankrupt, has a receiving or administration order made against them or makes a composition or arrangements with or for their creditors or, being a Company, passes a resolution that the

Company be wound up or if circumstances occur entitling a person or the Court to appoint a Manager, Receiver or Administrator to make a winding up order.

- 2.35. This transaction is confidential between the Buyer and the Supplier and neither party shall disclose either the transaction or any information received from the other party as a result of the transaction without the prior written permission of the other party.
- 2.36. In the event of a Cyber Security breach occurring in your organization you will notify the Buyer without undue delay and, where feasible, not later than 48 hours or any legally or obligated time duration (whichever is the sooner) after having become aware of it. Notification should be made to the Buyer using an uncompromised and secure method. Details of breach to be provided to MACI upon request.
- 2.37. All Intellectual Property Rights (IPR) produced, created or acquired under the PO shall belong to the Buyer. The Buyer and the Supplier shall preserve any pre-existing rights belonging to either party and those of any third party. The Supplier shall grant to the Buyer a non-exclusive, irrevocable, royalty free right to use any of the Supplier's proprietary information to the extent necessary to enable the Buyer to use, sell and support the products furnished under this PO and shall indemnify and hold harmless the Buyer against all losses, claims, demands, costs and expenses of any kind occasioned by a breach by the Supplier of a third parties IPR.
- 2.38. All notices will be deemed to have been lawfully served if sent to either party at the address or email stated on the face of the PO.
- 2.39. This PO is an agreement made in Canada and is subject to the Laws of Canada.
- 2.40. In the event of any dispute, the Buyer and the Supplier shall engage in good faith negotiations to resolve such dispute. This should initially involve the points of contact named on the face of the PO but should be passed through levels of management as appropriate to reach a decision.
- 2.41. Any failure by the Buyer to enforce any right afforded it under the terms of this PO shall not constitute a waiver of its right to enforce such a right at a later date unless such failure is specifically granted in writing as a waiver of that particular right by the Buyer.
- 2.42. The Supplier shall obtain at its own expense all export licences or similar authorizations required to supply the Goods and/or Services to the delivery location specified on the PO. The Goods or Services may be exported or re-exported by the Buyer and the Supplier confirms that no restriction exists in respect of US Department of Commerce Export Administration Regulations, ITAR, or other US or non-US Government Regulations which prevents such export or re-export by the Buyer. The Supplier warrants that it has complied with all export control provisions applicable to the Contract and holds harmless and indemnifies the Buyer against all consequences of any breach of such controls by the Seller, its sub-contractors or suppliers at any tier.
- 2.43. The Supplier shall comply with Access to Information Act of Canada and shall a) only process personal data to the extent necessary to fulfil its obligations under the PO, b) obtain the permission of its employees to use their personal data to the extent necessary to transact the PO and c) inform MACI immediately that it becomes aware of a data breach of any kind involving the personal data of the Buyer or its employees and d) indemnify the Buyer against any losses suffered as a consequence of any breach by the Supplier of this provision, which shall be deemed a material breach entitling the Buyer to terminate this Order immediately.
- 2.44. Any personal data submitted to the Buyer in support of this Purchase Order shall be used only for the purposes of the Order. Any queries or requests on personal data issues shall be submitted to MACI.
- 2.45. No term of this PO shall be deemed to create a partnership.

- 2.46. Should any provision in this PO be held invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired and shall remain valid with full force.
- 2.47. The Supplier shall ensure that ethical behaviour is a core value within the organization. This shall include but is not limited to: a) comply with all applicable laws, statutes and regulations relating to anti-bribery and anti-corruption b) promptly report to the Buyer any request or demand which if complied with would amount to a breach of this condition; c) ensure that any person or supplier associated with it who is providing goods or services in connection with this Order does so only on the basis of a formal agreement which imposes on and secures from such person terms equivalent to those imposed on the Supplier in this condition. d) indemnify the Buyer against any losses suffered as a consequence of any breach by the Supplier of this provision, which shall be deemed a material breach entitling the Buyer to terminate this Order immediately. ii) The Supplier shall : a) comply with all applicable anti-slavery and human trafficking laws, statutes and regulations in force b) have and maintain throughout the term of this agreement its own policies and procedures to ensure its compliance; and c) not engage in any activity, practice or conduct that would constitute an offence d) ensure that each of its subcontractors and suppliers shall comply with the Anti- slavery, human trafficking laws, statutes, regulations and codes in force e) indemnify the Buyer against any losses suffered as a consequence of any breach by the Supplier of this provision, which shall be deemed a material breach entitling the Buyer to terminate this Order.
- 2.48. Any deviations from these Terms and Conditions must appear in the PO to be valid.

### 3. PRECEDENCE OF DOCUMENTS

- 3.1. If there is any inconsistency between provisions of the Contract, a descending order of precedence, where such documents exist, shall be accorded to:
- i. the PO including any special requirements or instructions on the face of the PO;
  - ii. any special or specific terms and conditions incorporated by express reference as part of the Contract;
  - iii. the Conditions;
  - iv. the Specifications;
  - v. the Drawings, and
  - vi. other document(s) incorporated by express reference as part of the Contract.