



DE HAVILLAND AIRCRAFT
OF CANADA LIMITED

PURCHASE ORDER TERMS AND CONDITIONS

Effective as of August 1, 2024

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1. DEFINITIONS

- (i) "Buyer's Taxes" means all applicable sales taxes, value added tax, use or consumption tax, goods and services tax or similar taxes imposed on a buyer on the supply of the Goods and/or the Services by a government in the country where DHC is incorporated;
- (ii) "Confidential Information" means any information of a disclosing party and its affiliates, including information concerning the disclosing party's past, present or future customers, suppliers, technology or business which has or will come into the possession or knowledge of the receiving party in connection with or as a result of entering into the Purchase Order, but, except when it comes to the disclosing party's personal information, does not include information that:
 - (a) is already published or otherwise is or becomes readily available to the public, other than by a breach of these Purchase Order General Terms & Conditions;
 - (b) is rightfully received by the receiving party from a third party which is not in breach of any obligation of confidentiality;
 - (c) is proven to be known by the receiving party on a non-confidential basis prior to disclosure hereunder; or
 - (d) is proven to be developed by the receiving party independent of any disclosure by the disclosing party.
- (iii) "DHC" means De Havilland Aircraft of Canada Limited, and where applicable, its affiliates or subsidiaries.
- (iv) "Deliverables" means the interim and final outcomes of the Services to be created by Supplier or a Subcontractor and delivered to or accessed by DHC, whether in electronic, printed or other form, whether completed or in progress, including but not limited to, documents, information, reports, software, test results, test data, summaries, physical models, prototypes, samples and drawings;
- (v) "Delivery Point" means the location identified in the Purchase Order for the delivery of Goods or the provision of Services;
- (vi) "Delivery Schedule" means the schedule for the delivery of Goods and/or performance of Services described in the Purchase Order;
- (vii) "Export Laws" mean all applicable laws and regulations concerning the import, export, re-export, transfer or retransfer of Goods and/or Services and economic or trade sanctions or other restrictive measures;
- (viii) "Force Majeure Event" means an unforeseeable and unpreventable event which renders the performance of an obligation impossible;



- (ix) "Goods" means any products, materials, equipment, software, technology, spare parts and related documentation described in the Purchase Order, if applicable;
- (x) "Lien" means any lien, hypothec, claim or other encumbrance of any kind;
- (xi) "Personal Data" means any information relating to an individual which allows his/her identification;
- (xii) "Price" means the compensation set out in the Purchase Order to be paid by DHC to Supplier for the Goods and/or Services;
- (xiii) "Purchase Order" means, collectively, the applicable purchase order or blanket purchase order issued by DHC or its Representative to Supplier in connection with the Goods and/or Services, these purchase order general conditions and any documents attached to or referenced in a purchase order;
- (xiv) "Representative" means an authorized representative for the procurement activities;
- (xv) "Services" means any services and related Deliverables and documentation described in the Purchase Order;
- (xvi) "Subcontractor" means any subcontractor or supplier contracted by Supplier in connection with the performance of the Purchase Order;
- (xvii) "Supplier" means the "supplier", "seller", "contractor" or "vendor" identified in the Purchase Order; and
- (xviii) "Supplier Personnel" means the employees, agents and independent contractors retained by Supplier.

2. ACCEPTANCE; NO ADDITIONAL TERMS

- (i) The Purchase Order is deemed accepted by Supplier upon the first of the following occurrences: (a) any performance by Supplier following receipt of the Purchase Order; or (b) the passage of 10 days following Supplier's receipt of the Purchase Order without written notice to DHC of rejection from Supplier.
- (ii) No terms or conditions submitted by Supplier that are in addition to, different from or inconsistent with those contained in the Purchase Order including the header text box, or the Supplier's standard printed terms and conditions, and any terms and conditions contained in any Supplier quotation, invoice, order acknowledgment, confirmation, acceptance, bill of lading or other instrument or notification, shall be binding upon DHC unless specifically and expressly agreed to in writing by DHC.
- (iii) If there is an existing agreement or contract (the "Contract") between the Parties, that Contract shall take precedence and shall supersede the terms and conditions of this Purchase Order where there is conflict.



3. ESTIMATES AND FORECASTS

If and to the extent that the Purchase Order includes any estimates, forecasts, approximations or requirements of or by DHC relating to the purchase of Goods and/or Services, Supplier acknowledges and agrees that such estimates, forecasts, approximations or requirements: (a) are estimates only; (b) are not guaranteed; and (c) do not create a commitment to purchase any volume or quantity of Goods and/or Services from Supplier. Estimates, proposals or quotations are for informational purposes only and not to be relied upon or have any obligations imposed upon the Parties.

4. SCOPE OF WORK & SERVICES

- (i) Supplier shall apply to DHC for any explanation that Supplier may require as to the meaning or intent of any clause in the Purchase Order and specifications; and shall be responsible for any errors or losses consequent upon failure to request such explanation.
- (ii) Supplier shall provide qualified personnel with the best industry accepted standards and ability to perform the work outlined in this Purchase Order.
- (iii) However, DHC may, at any time, require that Supplier immediately replace any employee, agent, representative, subcontractor, or consultant of Supplier's, who, in DHC's sole opinion, does not perform or has not been conducting himself or herself in a proper manner.

5. DELIVERY; RISK OF LOSS; INSPECTION; ACCEPTANCE

- (i) Supplier shall deliver the Goods and/or perform the Services at the Delivery Point in accordance with the Delivery Schedule. Supplier acknowledges and agrees that time is of the essence for the delivery or performance under the Purchase Order.
- (ii) Risk of loss of the Goods remains with Supplier until their final inspection and acceptance by DHC. Notwithstanding any acceptance by DHC at Supplier's facilities, Goods and Deliverables are subject to final inspection and acceptance by DHC upon receipt at the Delivery Point. Final inspection and acceptance by DHC does not relieve Supplier from any of its obligations under the Purchase Order; and shall not be construed to prejudice any of DHC's rights or remedies under the Purchase Order or at law.
- (iii) Supplier shall comply with DHC's general quality requirements which are identical to the requirements set forth in the latest issue of the "*De Havilland Quality Requirements for Suppliers*" document number DSQM-001. Such latest issue may be consulted by Supplier via DHC's website or Supplier may request a copy directly from DHC.

6. PRICE; INVOICES; DOCUMENTATION, PAYMENT; AUDIT

- (i) DHC shall pay to Supplier the Price. The Price is inclusive of all costs and expenses of Supplier in delivering the Goods and/or performing the Services. Separate invoices, in duplicate, must be remitted by Supplier based on whether Goods were delivered and/or Services rendered.



Invoices must be addressed to DHC's accounts payable department as indicated on the Purchase Order.

- (ii) Invoices shall show a breakdown of non-recurring and recurring prices, if applicable, per Good and/or Service. Invoices shall also state, as applicable: the Purchase Order and line item numbers (with the invoice addressing only one Purchase Order); description of the Goods delivered and/or the Services performed; the aircraft tail number; drawing number; serial number and part number of the item; DHC's part number; unit price, total price stated in the applicable currency; Buyer's Taxes as separate line item; Supplier's relevant tax registration numbers; packing slip number; number of packages and articles or containers shipped. If the shipment is sent by messenger, Supplier shall state and include the waybill number. Errors or lack of supporting documentation, as specified in the Purchase Order, are cause for withholding payment until such error or lack of supporting documentation is corrected. For greater clarity, payment of an invoice (or approval for payment by DHC) shall not be construed as evidence or an admission that the Goods and/or Services meet the requirements of the Purchase Order. Supplier agrees to maintain accounts and records related to its performance under the Purchase Order and agrees that DHC may audit Supplier with respect to Supplier's performance under the Purchase Order.
- (iii) *Incomplete or incorrect information on Invoices.* Omissions from invoices or lack of supporting documentation shall be deemed incomplete until the errors or omissions are corrected, or the proper supporting documentation is provided by Supplier to DHC.
- (iv) *Quality System Clauses.* Supplier shall comply with the latest issue of the DHC Supplier Requirements Manual, DSQM- 001 which is available in the Supplier Portal on the DHC website. The Supplier acknowledges compliance with the DSQM--001 by acceptance of a DHC-issued Purchase Order.
- (v) *Time Sensitive Materials.* Time sensitive product and material shall have not more than 50% of shelf life expired at the time of delivery to DHC unless otherwise authorized by DHC quality control personnel. Supplier shall provide DHC with all information pertaining to shelf life and storage requirements as applicable.
- (vi) *Routing.* Shipment must be made via the route and method specified in the Purchase Order. Supplier shall be liable for additional costs resulting from a routing other than specified. When DHC assumes the freight charge, documents shall bear the mention "Collect" and the Purchase Order number, and Supplier shall not invoice DHC for these charges. The value of the merchandise shall be stipulated on the document and bear the mention "Cargo Insurance not required".
- (vii) *Excessive Invoice amounts.* Under no circumstances shall a payment by DHC, when considered with payments already made and those that remain owing under the Purchase Order, exceed the Price.



7. WAIVER AND RELEASE OF LIENS

Upon receipt from DHC of amounts invoiced pursuant to Section 6, Supplier waives and releases all rights to, and shall obtain, at its sole costs and expenses, the prompt removal of, any Liens, against DHC or its assets, which then exist or which may thereafter arise for Goods delivered or Services performed on or before the date of the relevant invoice. All payments owed to Supplier hereunder are contingent upon Supplier providing DHC, upon request, evidence of Supplier's compliance with the foregoing. For greater clarity, the foregoing does not grant Supplier the right to register a Lien against DHC or its assets.

8. PRICE ADVANTAGE; CREDIT

If DHC places additional purchase orders for Goods and/or Services covered by a Purchase Order and such purchase orders could have been combined in such Purchase Order to benefit from a price advantage, Supplier acknowledges and agrees that such price advantage shall apply to the relevant purchase orders. In such event, the refund, credit or discount reflecting such price advantage shall be evidenced by way of a credit note applicable, at DHC's entire discretion, to any current or future invoices.

9. TAXES

- (i) Except for applicable Buyer's Taxes, Supplier shall be responsible for all taxes, including withholding, fees, interests and penalties, which are, or may be, imposed or assessed by any governmental authority or agency, or any taxing authority, as a result of, or in connection with this Purchase Order.
- (ii) If any Buyer's Taxes are applicable and chargeable, Supplier must provide to DHC a valid invoice in accordance with the applicable tax legislation. If applicable, no Buyer's Taxes shall be charged by Supplier when DHC provides a valid exemption certificate to Supplier.
- (iii) For the avoidance of doubt, when payment is subject to withholding taxes, unless Supplier provides DHC with a valid and timely exemption documentation, DHC will withhold from payment the amount required to satisfy tax withholding obligations under applicable laws.

10. WARRANTIES

- (i) In respect of the Goods, Supplier represents and warrants that: (a) it has good title to the Goods and the transfer of title to DHC is free and clear of Liens; (a) the Goods conform to any specifications and/or standards provided by DHC, or by Supplier and approved by DHC; (b) the Goods are provided in accordance with applicable laws and, apart from the Goods for which the design is provided by DHC, are free from defects in design; and (c) the Goods are free from defects in materials and workmanship for a period of 24 months from acceptance of the Goods by DHC or for a longer period as may be provided in the Purchase Order. For greater certainty, the warranty set out in (a), (b) and (c) above applies for an unlimited period.



- (ii) In respect of the Services, Supplier represents and warrants that the Services (a) conform to any specifications and/or standards provided by DHC, or by Supplier and approved by DHC; (b) are provided in accordance with applicable laws; and (c) will be performed expeditiously and consistent with good business practices and professional standards of other top-tier leading service providers of similar services in similar circumstances.
- (iii) Supplier represents and warrants that it shall make and deliver the Goods and/or perform the Services under the Purchase Order, both individually and in the aggregate, on terms and conditions, including the Price, that are at least as favourable as the terms and conditions made available by Supplier to any of its other customers purchasing any one or more substantially similar goods or services when sold in similar volumes.
- (iv) Supplier acknowledges having read and understood DHC's *Supplier Code of Conduct* available at: <https://dehavilland.com/about/#ethics-compliance>. Supplier agrees to comply with and to be bound by DHC's *Supplier Code of Conduct* while performing its obligations under this Agreement.

11. COMPLIANCE WITH LAWS; SUPPLIER PERSONNEL & SUBCONTRACTORS

- (i) In supplying the Goods and performing the Services, Supplier must: (a) comply with and ensure that Supplier Personnel and Subcontractors comply with all applicable laws and regulations; (b) comply with DHC's environmental sustainability policies available in the *Supplier's Code of Conduct* found at www.dehavilland.com; (c) to the extent that Supplier Personnel or subcontractors are required to enter into DHC's site or property, ensure that they comply with DHC's written health, safety and environmental policies and standards provided to Supplier, and (d) acknowledge that they enter onto DHC's site or property at their own risk; (e) represent and warrant that it has not violated and will not violate, in connection with the Purchase Order, any applicable anti-corruption law; (f) represent and warrant that it is in compliance with and will continue to comply with all Export Laws and that it has not been and is not currently included on any government sanctions list or any other denied/debarred party list; and (g) inform DHC in writing of any changes in such Export Laws if so applicable, and shall obtain and renew any necessary governmental export permit or similar authorization if so required. For all controlled goods and technologies covered by the Purchase Order, Supplier shall send to DHC's export control group a written notice indicating all controlled goods and technologies, as per the requirements of any governmental agency having authority. All communication inquiries or representations regarding controlled goods and technologies shall be sent by e-mail to: Director.SupplyChain@dehavilland.com.
- (ii) DHC understands and agrees that Supplier has the sole authority and responsibility to supervise and direct the activities of Supplier Personnel and Subcontractors performed on DHC's site or property. Supplier warrants that, at all times, it shall remain in good standing with, and pay promptly when due, all amounts required by any authority having jurisdiction over the Purchase Order or Supplier, with respect to health and safety matters, workers' compensation and other employee related matters, and shall, upon DHC's request, provide a certificate of good standing from such authority.



12. ENVIRONMENTAL PROTECTION

- (i) Supplier will comply and provide all the information necessary for DHC and/or DHC's customers to comply with all laws, statutes, decrees, treaties, regulations, orders, directives, or norms ("Environmental Regulations") issued by any relevant governmental or other regulatory or administrative authority with respect to public health or safety or the environment, as they relate to the Services or the Goods.
- (ii) As part of Supplier's compliance with Environmental Regulations, Supplier shall always fulfill the requirements of the European Regulation (EC) No. 1907/2006 concerning the Registration, Evaluation, Authorization and Restriction of Chemicals ("REACH").

13. INSURANCE

Without limiting Supplier's obligations or liabilities hereunder, Supplier shall, at its sole costs and expenses, and for the duration of the Purchase Order and all applicable warranty periods, purchase and maintain the following insurance coverages:

- (i) Aviation Liability (if applicable) - aviation liability insurance or commercial general liability insurance, with no exclusions for aviation products and completed operations or aviation premises, covering all liabilities for bodily injury and property damage arising from the Goods and/or Services, with limits of liability as specified in the header text section of the Purchase Order for each occurrence and in the aggregate. Supplier shall provide (a) an endorsement including DHC and its directors, officers, employees, agents and representatives as additional insureds; (b) an endorsement including a cross liability Section, noting that each of the parties comprising the insured are considered as a separate entity, the insurance applies as if a separate policy has been issued to each party, and no "insured-versus-insured" exclusion exists in the policy; and (c) an endorsement waiving all express or implied rights of subrogation against DHC;
- (ii) Commercial General Liability Insurance, including bodily injury, death and property damage, in an amount of not less than five (5) million Canadian dollars (CAD \$5,000,000.00) (combined single limit on each occurrence). Such coverage to include blanket contractual liability, employer's liability, contingent employer's liability Insurance, non-owned automobile liability, broad form property damage liability, and goods and completed operations liability;
- (iii) Professional Liability Insurance (if applicable) in an amount of not less than five (5) million Canadian dollars (CAD \$5,000,000.00) (combined single limit on each occurrence) unless otherwise agreed upon in the header text of this Purchase Order;
- (iv) Worker's Compensation/Employers' Liability Insurance subject to the laws of the province, state and country wherein this scope of work is being performed. Such coverage shall contain a waiver of subrogation in favour of DHC;
- (v) Automobile Liability Insurance (if applicable) covering the ownership, maintenance or use of all owned, non-owned and hired vehicles used in the performance of this Contract, including loading and unloading, with limits of not less than two (2) million Canadian dollars (CAD



\$2,000,000.00) combined single limit for bodily injury, death and property damage liability; and

- (vi) Property All Risks Insurance covering for damage to all DHC owned property for the full replacement value thereof which is in the possession or under the effective care, custody and control of Supplier or its contractors and sub-contractors.

Supplier shall prior to execution of the Purchase Order and subsequently prior to renewal of the required insurances provide to DHC or its designee certificates of insurance and endorsements as evidence of the insurance required under the Purchase Order. To the extent Supplier uses a Subcontractor for any portion of the Goods and/or Services, Supplier shall ensure that such Subcontractor is subjected to the same insurance requirements contained in this Section 13.

14. CONFIDENTIAL INFORMATION

- (i) In any event, if Supplier is has received or has been exposed to DHC's Confidential Information, or if Supplier has dependencies on its computer systems to deliver the Goods and/or perform the Services, Supplier shall maintain an information security policy and/or process to ensure confidentiality on such systems and prevent viruses, malware and cyberattacks. DHC's Confidential Information shall be securely deleted from all electronic media reused, destroyed when defective, sent for repair or no longer required.
- (ii) In the event that a confidentiality agreement has been executed between DHC and Supplier, such agreement shall take precedence over the following.
- (iii) The parties agree that they shall: (a) not use Confidential Information for any purpose other than as may be required for the performance of their obligations under the Purchase Order; (b) not directly or indirectly disclose or allow access to any Confidential Information to or by any third party except as expressly permitted in the Purchase Order; (c) take all measures reasonably required to maintain the confidentiality and security of all Confidential Information; and (d) if the receiving party suspects or becomes aware of any unauthorized disclosure of or access to any Confidential Information they must: (i) immediately notify the disclosing party; (ii) enforce against any person that is or may be engaging in such unauthorized disclosure or access any rights that the receiving party has to require such person to cease such unauthorized activities; and (iii) do all things, execute all documents and give all assistance reasonably required by the disclosing party in connection with such unauthorised disclosure.
- (iv) The parties may disclose Confidential Information if and to the extent required by applicable law, provided, however, that the receiving party must first give the disclosing party notice of such compelled disclosure and provide the disclosing party with an opportunity to take such steps as it desires to contest such disclosure or seek a protective order. The parties may disclose Confidential Information to: (a) their professional advisors if and to the extent that such persons need to know such Confidential Information in order to provide the applicable professional advisory services relating to the parties' business; and (b) Supplier Personnel and Subcontractors if and to the extent that such persons need to know such Confidential Information to perform their respective obligations under the Purchase Order; provided, however, that any such person has entered into an agreement with Supplier that includes



confidentiality obligations in respect of such Confidential Information that are not less stringent than those contained in this Section 11.

- (v) All Confidential Information shall be returned to the disclosing party or destroyed upon the disclosing party's request with a certified written confirmation of such destruction, upon completion or termination of the Purchase Order provided, however, that the receiving party may retain a copy of the Confidential Information held in its general computer back-up records made for internal recovery procedures. This Section 11 shall survive for a period of seven (7) years following the return or destruction of the Confidential Information.

15. PRIVACY

Supplier warrants that it shall comply with its obligations under all applicable laws regulating the processing of Personal Data, including the *Personal Information Protection and Electronic Documents Act* ("PIPEDA"), the Quebec Act Respecting the Protection of Personal Information in the Private Sector and, if applicable, the General Data Protection Regulation (Regulation (EU) 2016/679) ("GDPR"). Supplier accepts that in relation to all DHC Data, it must (a) only process it on behalf of DHC and solely for the purposes of delivering Goods and/or performing Services under the Purchase Order, and as directed by DHC; (b) not disclose DHC Personal Data to any other person without DHC's prior written consent, unless the disclosure is required by applicable law (and Supplier immediately notifies DHC, unless such notification is prohibited by that law); (c) promptly notify DHC as soon as it has received a complaint from any individual regarding the way his or her Personal Data has been processed, disclosed or used and cooperate when DHC is investigating any claim related to individual complaints; and (d) make available to DHC any information necessary to demonstrate compliance with the obligations in this Section. Supplier must put in place and maintain appropriate information technology and organizational processes to secure DHC Personal Data, having regard to the risk of accidental or unauthorized disclosure of DHC Personal Data. Supplier remains fully responsible and liable for any acts or omissions of Supplier Personnel and Subcontractors in their performance of the Services and for the processing, disclosure and use of Personal Data.

16. INTELLECTUAL PROPERTY

- (i) All Deliverables are deemed to be owned by DHC. DHC is deemed to be the "inventor", "author", and "owner" of all Deliverables under applicable law. Supplier agrees to assign, and hereby assigns, to DHC any and all intellectual property rights created or acquired in the performance of the Services.
- (ii) All intellectual property (i) created or acquired by a party, at any time, independently of the performance of the Purchase Order; or (ii) owned or licensed by a party prior to the earlier of the date of the Purchase Order or the initial performance of any obligation under the Purchase Order (collectively, "Background Intellectual Property"), remain the property of such party. Supplier hereby grants to DHC and its affiliates a perpetual, non-exclusive, sub-licensable, transferable, worldwide license to use Supplier Background Intellectual Property in connection with the use, resale, modification, reproduction and disclosure of the Goods and Deliverables.



- (iii) Supplier represents and warrants that the Goods and Services and their use do not and will not infringe the trademark, copyright, patent or trade secret rights or other intellectual property rights of a third party.
- (iv) Supplier shall not use any trade name or trademarks of DHC or its affiliates without first obtaining DHC's prior written approval.

17. FORCE MAJEURE

- (i) If either party is prevented from performing or is unable to perform any of its obligations under the Purchase Order due to a Force Majeure Event and has given prompt written notice to the other party, then the affected party's failure to perform shall be excused and the time allowed for performance shall automatically be extended to account for the applicable period of delay or inability to perform due to such Force Majeure Event. The party subject to such Force Majeure Event shall: (a) promptly notify the other party of the circumstances causing the failure or delay; (b) provide reasonably sufficient documentation to establish the impact of such party's failure or delay; and (c) resume performance whenever and to whatever extent possible without delay, including workaround plans, implementation of a disaster recovery plan or other means. In the event that Supplier is delayed in the performance of the Services by a Force Majeure Event, Supplier shall, but only in respect of the portion of the Goods and/or Services that have been actually delayed, be entitled to an equitable adjustment in the time allowed for the performance of the Goods and/or Services.
- (ii) Any adjustments required following a Force Majeure Event shall be reflected in the Purchase Order by way of a written amendment in accordance with this Section 17. In all cases, Supplier shall not be entitled to payment for costs related to such adjustments.

18. REMEDIES

- (i) Following a breach by Supplier of any of its obligations under the Purchase Order, including a breach of an obligation set out below, DHC may, at its option and without prejudice to its other rights and remedies under the Purchase Order or at law, take the following actions and exercise the following remedies:
 - (a) *Expenses.* Should Supplier fail to comply with the Delivery Schedule, DHC may claim damages, costs and/or expenses suffered or incurred in relation to such non-compliance;
 - (b) *Set-Off.* DHC may set-off and deduct from any amounts payable to Supplier any amount due, or which becomes due by Supplier to DHC pursuant to the Purchase Order or any other agreement between Supplier and DHC;
 - (c) *Rejection of defective or non-compliant goods and services.* DHC may reject defective or non-compliant Goods and Deliverables during inspection and return them to Supplier at Supplier's sole costs and expenses;
 - (d) *Warranty of goods and services.* if Goods and/or Services fail to comply with Section 10, DHC shall notify Supplier and Supplier shall promptly, at Supplier's sole costs and



expenses (including any relevant transportation and labour costs), repair or replace the defective Goods or perform the non-compliant Services to DHC's satisfaction. DHC may cause another person to repair or replace the defective Goods or perform the non-compliant Services to its satisfaction, in which case Supplier's warranty shall apply to such Goods and Services as if Supplier had made the repair or replacement of the Goods or performed the Services itself. In all cases, Supplier bears all costs and expenses incurred by DHC, its affiliates and their customers in relation to the repair or replacement of the defective Goods and the performance of the non-compliant Services. Supplier warrants and guarantees the Goods which are non-compliant with Section 10 for an additional period of twelve (12) months from the date of repair or replacement;

- (e) *Third-party claims.* in the event that any part of the Goods or Deliverables infringes any intellectual property right or any other third-party claims against DHC, Supplier shall promptly, at its sole cost and expenses: (i) procure for DHC and its customers the right under such intellectual property right to use the applicable Goods or Deliverables; (ii) replace the applicable Goods or Deliverables with non-infringing goods and deliverables of similar nature and quality; or (iii) modify the applicable Goods or Deliverables so that they become non-infringing without any loss of quality, performance or functionality; and
- (f) *Termination.* DHC may terminate the Purchase Order in accordance with Section 20.
- (g) *Indemnification.* Supplier shall hold harmless and indemnify DHC from and against any and all damages DHC may suffer based upon or resulting from the non-compliance by Supplier with any laws in connection with the performance of any of its obligations under the Purchase Order.

19. SUSPENSION

DHC may, at any time and at its entire discretion, by notice in writing, request that Supplier suspends the delivery of Goods and/or the performance of Services, which suspension shall have immediate effect. DHC may likewise, at any time and at its entire discretion, by notice in writing, request that Supplier resumes the delivery of Goods and/or the performance of Services following a suspension, which resumption shall have immediate effect.

20. TERMINATION

- (i) DHC reserves the right to withdraw, at its entire discretion, the Purchase Order, in whole or in part, within (ten) 10 days after issuance. Supplier acknowledges and agrees that any such withdrawal will not give rise to any liability on the part of DHC.
- (ii) DHC may terminate the Purchase Order, at its entire discretion, upon written notice to Supplier indicating the effective date of termination. In such event, Supplier shall be entitled to (i) the portion of the Price applicable to the Goods delivered and/or Services performed as of the effective date of termination; and (ii) the actual cost incurred as of the effective date of termination for work in progress, taking into consideration the agreed upon lead time. DHC



- shall not be liable for any other costs, charges or compensation on account of such termination, unless agreed upon in writing.
- (iii) Supplier shall not be paid for any Services which do not meet the requirements of the Purchase Order.
 - (iv) DHC may also terminate the Purchase Order upon the occurrence of any of the following events: (a) Supplier becomes insolvent; (b) insolvency or similar proceedings are commenced against Supplier; (c) Supplier is in breach or default of any provision of the Purchase Order, which breach or default is not cured within the prescribed period in a written default notice from DHC; or (d) DHC has reasonable grounds to believe that Supplier's performance (including timely performance) is in jeopardy and Supplier fails to provide adequate assurance within 5 days of receiving a written notice to that effect.
 - (v) In all cases of termination of the Purchase Order, DHC may, in addition to any other rights and remedies available under the Purchase Order and at law, procure goods and/or services similar to those contemplated under the Contract from a third-party provider. In such event, Supplier shall diligently cooperate with DHC for purposes of transition to another supplier and be liable for any costs (including price differential) incurred by DHC in connection with such transition.
 - (vi) In all cases of termination of the Purchase Order, DHC shall be entitled to take possession of the Goods and Deliverables completed and in progress as of the date of termination.

21. GOVERNING LAWS

The Purchase Order is governed by the laws of the Province of Alberta and the laws of Canada applicable therein, excluding its conflict of laws. DHC and Supplier hereby irrevocably agree to submit any action, suit or proceeding arising out of, or connected with, the Purchase Order to the appropriate courts in the province of Alberta, Canada, which shall have the exclusive jurisdiction to adjudicate any such action, suit or proceeding. DHC and Supplier expressly disclaim and exclude the application of the *United Nations Convention on Contracts for International Sale of Goods* to the Purchase Order.

22. NOTICES

Any communication required or permitted to be given in connection with the Purchase Order must be given in writing and will be given by personal delivery or sent by prepaid registered mail or by electronic communication, in each case addressed to the recipient as indicated in the Purchase Order or to such other address or electronic address designated by notice in writing to the other party. Any communication given by personal delivery is conclusively deemed to have been given on the day of actual delivery and, if given by registered mail, on the tenth business day following the mailing thereof and, if given by electronic communication, on the day of receipt thereof, provided it is given during the normal business hours of the recipient, or the next business day following the date of receipt if given after such hours.



23. ASSIGNMENT; SUBCONTRACTING

- (i) Supplier shall not assign or subcontract the Purchase Order or any interest herein, including any performance or any amount that may be due hereunder, without DHC's prior written consent. The Purchase Order may set forth the list of all Subcontractors or categories of Subcontractors that Supplier may use to provide the Goods and/or perform the Services without DHC's prior written consent.
- (ii) Supplier shall ensure that each agreement to subcontract all or any part of its obligations set out in the Purchase Order is in writing and contains, at a minimum, those provisions required for Supplier to perform obligations and assume its responsibilities under the Purchase Order. Any such assignment or subcontract of any obligation of Supplier shall not waive any obligation, responsibility or liability of Supplier with respect to the provision of the Goods and/or the performance of the Services under the Purchase Order.
- (iii) DHC may assign, sell or transfer (in whole or in part) any of its rights and obligations under the Purchase Order without Supplier's consent, provided it gives Supplier prior written notice.

24. EXPORT REGULATION & COMPLIANCE

- (i) Supplier shall comply with any law, regulation, order or directive from any relevant authority governing or controlling the transfer, export, retransfer, re-export ("Export") of any product or technology ("Export Regulations"). Supplier shall, furthermore, inform DHC of any restriction or control applying to the Export of a given product or technology prior to De Havilland having custody and control of such product or technology, or as soon as possible after such restriction or control comes into force if it was not in force prior to De Havilland having custody and control of such product or technology.
- (ii) Supplier shall provide DHC with a complete list of all controlled or dual-use products and technologies, at the date of execution of this Contract, and revise such list when any product or technology is to be added or removed. All communication inquiries or representations regarding controlled or dual-use products or technologies shall be sent by email to: controlled_goods@dehavilland.com.
- (iii) Supplier shall declare to DHC if products or technologies become subject to the Export Administration Regulations ("EAR"), or the International Traffic In Arms Regulations ("ITAR"), or the Office of Foreign Assets Control Regulations ("OFAC"), or the Canadian Defence Production Act and Controlled Goods Program, as may be amended from time to time. In the case where such products or technologies are subject to any such control, Supplier shall provide DHC with the applicable Export Control Classification Number ("ECCN"), or Export Control List ("ECL") number, or ITAR designation on the Munitions List, or other relevant classification.
- (iv) Supplier shall obtain and renew any governmental export permit or similar authorization that may be required for the Export of the products or technologies and any relevant supporting data. If DHC wishes to transfer or re-export any products or technologies to a third party, Supplier shall assist DHC in obtaining all required authorizations, licenses or permits.



25. FORCED LABOUR & CHILD LABOUR (MODERN SLAVERY)

- (i) Supplier shall comply with any law, regulation, order or directive from any relevant authority governing or controlling the reporting and use of forced labour or child labour ("Modern Slavery") anywhere throughout its supply chain.

26. MISCELLANEOUS

- (i) The Purchase Order constitutes the entire agreement relating to the subject matter hereof and supersedes all prior and contemporaneous understandings or statements between the parties and the general conditions contained herein have priority over any conflicting terms contained in any document attached to the Purchase Order *unless otherwise agreed upon and referenced in this Purchase Order by a superseding agreement that shall take precedence over this Purchase Order that has been agreed prior by the Parties.*
- (ii) The Purchase Order shall not be amended except by a written agreement that: (a) is signed by the authorized signing officers of each of the parties; and (b) expressly states that it is intended to amend the Purchase Order.
- (iii) Either party's waiver of any breach or failure to enforce any provisions of the Purchase Order shall not in any way affect, limit or waive such party's right thereafter to enforce and compel strict compliance with every term and condition hereof.