

GENERAL TERMS AND CONDITIONS OF PURCHASE

Ver. 02062023

1. **DEFINITIONS.** The following definitions apply: (i) “**HD**” means Héroux-Devtek Inc. or its affiliate or subsidiary issuing the Order, (ii) “**General Conditions**”, means the terms and conditions contained in this document, (iii) “**Order**” consists of the following documents, as applicable: (1) a written purchase order or other purchase instrument issued by HD to Seller, including any clause or HD customer flow-down requirement included therein, (2) any pricing agreement or similar contract between HD and Seller expressly incorporating by reference these General Conditions, (3) the Technical Requirements, (4) any statement of work provided by HD, and (5) these General Conditions, (iv) “**Product**” means any and all goods, material, work, services and/or documentation to be delivered and/or performed by Seller pursuant to the Order, (v) “**Technical Requirements**” means the applicable specifications, drawings, models and other technical requirements related to the Product, the latest version of applicable Héroux-Devtek Process Standard (HPS) and other applicable quality requirements, and (vi) “**Seller**” means the entity, firm or person to whom the Order is issued.
2. **ENTIRE AGREEMENT.** The Order constitutes the complete and exclusive agreement between HD and Seller for the Product and supersedes all prior agreements and negotiations, written and oral, with respect to the Product. Unless otherwise expressly set out on the face of the Order: (i) the Order shall be exclusively governed by these General Conditions, and (ii) the issuance of an Order does not constitute an acceptance of any other provisions referred to or included in any Seller’s offer, quotation or proposal. Any reference to such offer, quotation or proposal included in the Order shall not constitute a modification or waiver of these General Conditions. Any Order acknowledgement or acceptance issued by Seller containing any provision inconsistent with, or in addition to these General Conditions is not binding upon HD and is rejected.
3. **ACCEPTANCE.** Upon acceptance, Seller agrees to fulfill the Order in accordance with all its provisions, including these General Conditions. The Order shall be deemed accepted by Seller upon the earlier of: (i) Seller’s written acknowledgement or acceptance, (ii) commencement of performance by Seller, or (iii) ten (10) days following Seller’s receipt of the Order without rejection notice issued to and received by HD.
4. **FURNISHED PROPERTY.** All material, parts, components, tooling, and equipment furnished to Seller or paid for by HD (“**Furnished Property**”) is the exclusive property of HD and shall be kept free of any encumbrance or lien. Seller shall only use the Furnished Property for the performance of the Order and shall not make it available to any third party without prior written authorization of HD. Seller shall clearly mark as HD property and keep segregated all Furnished Property. Seller shall maintain all Furnished Property in good condition and shall return the Furnished Property or provide access thereto to HD for inspection or retrieval upon request from HD. Seller shall be responsible for any loss or damage to Furnished Property (except normal wear and tear) and shall immediately notify and indemnify HD for any such loss or damage.
5. **PACKAGING, DELIVERY & TITLE.** Seller shall package the Product in accordance with good commercial practices adequate to ensure secure transportation and storage of the Product and shall indemnify HD for any loss due to improper packaging. Unless otherwise set out on the face of the Order, the tasks, costs and risks associated with the delivery of the Product (including Furnished Property on which Seller performed any services) to HD shall be determined in accordance with Delivered Duty Paid (DDP) Incoterms 2020 “deliver-to” location set out on the face of the Order. Title of Product not already owned by HD shall transfer to HD upon payment of the related invoice.
6. **PRICE & TAXES.** HD shall pay Seller as sole compensation for the Product and Seller’s performance of all its obligations the price set out in the Order. Unless otherwise set out on the face of the Order, prices are fixed and firm for the duration of the Order. For clarity, any change in applicable laws or regulations, new governmental decree or action, economic hardship (including resulting from increased cost of material, processing or overhead), inflation or labor shortage or disputes, shall not constitute an excusable or force majeure event and shall not entitle Seller to increase the price of the Product or excuse Seller from performing its obligations unless otherwise agreed in writing with HD. The Product price includes, and Seller is liable for, all taxes in connection with the performance of the Order, except sales or value added taxes required to be levied by applicable tax authority on sales to HD and showed as a separate line item on the Seller’s invoice.
7. **INVOICE & PAYMENT.** Seller is entitled to invoice HD upon delivery of the Product. Provided the Product complies with the Order’s requirements, including for clarity all applicable Technical Requirements, HD shall pay the invoice in accordance with the payment term set out on the face of the Order or, should there be no payment term defined on the face of the Order, payment shall be made Net 60 day from receipt of invoice. All invoices shall indicate the related Order number and identify by line number the applicable Product number, quantity, price, value added taxes and other information specified in the Order.
8. **DOCUMENTATION.** Seller shall provide to HD all documentation required for proper operation and maintenance of the Product, as well any other technical document deliverable set out in the Order. All documentation shall be written in English. Seller shall retain all documentation pertaining to the Product for at least a period of ten (10) years after completion of the Order, but in no event less than the period required by law and/or relevant airworthiness authority. Upon HD request, a copy of such documentation shall be provided to HD free of charge.
9. **QUALITY REQUIREMENTS & INSPECTION.** Seller shall comply with all Technical Requirements applicable to the Order. Upon reasonable notice, HD and other parties authorized by HD (including its delegated inspectors, customer and airworthiness authority) shall be permitted to enter Seller’s premises during normal business hours to review progress of the Order and inspect the Product and related documentation.
10. **WARRANTY.** Seller warrants to HD and, as applicable, its customer that: (i) all services shall be performed by personnel of required skills and qualifications in a professional manner and in accordance with industry standards for similar services, (ii) the Product shall comply with all applicable laws, regulations and industry standards, (iii) the Product shall be free from defect in design (unless HD is responsible for the design of the Product) and conform with the Technical Requirements, (iv) the Product shall not infringe the intellectual property rights of any third party, unless the infringement solely results from Seller’s compliance with detailed design furnished by HD, (v) title transferred to HD shall be free and clear of all liens, claims, encumbrances and security interests, and (vi) the Product shall be free from defects in material and workmanship for a period of sixty (60) months from the delivery of the Product. If the Product incorporates any components subject to third party manufacturer’s warranties, Seller hereby assigns such warranties to HD and, as applicable, its customer.

11. **CHANGE.** HD may, at any time by written notice, make changes in: (i) the quantities of Product or the scope of services ordered, (ii) applicable Technical Requirements or HD customer flow-down requirements, (iii) the method of shipment or packing, and/or (iv) the place of delivery or the specified location for services to be performed. If a change made by HD causes an increase in the cost of Seller's performance under the Order, and Seller so notifies HD no later than seven (7) calendar days after receipt of HD's written change order, then HD and Seller shall negotiate and agree an equitable adjustment in the price of the affected Product and HD will amend the Order accordingly. Disagreement relating to the applicable equitable adjustment shall not excuse Seller from proceeding with the Order as changed. Notwithstanding anything to the contrary, HD may at any time by written notice and without liability, amend the Order to change the delivery date of any Product ordered to the extent required to align with HD customer's demand, provided that if any new delivery date does not provide for the full applicable Product's lead-time, Seller's obligation to comply with the new delivery date shall be on a best effort basis.
12. **SUBCONTRACTING.** Seller shall not subcontract all or any substantial part of the work to be performed under the Order without the prior written consent of HD. In any event, Seller shall assume all responsibilities for its subcontractors and shall indemnify and hold HD harmless from and against all losses, costs and expenses (including legal and attorney fees) incurred by HD as a result of the act, claim or omission of Seller's subcontractor. Seller shall incorporate in the contract with its subcontractors all applicable provisions of the Order to ensure all Order's requirements are met.
13. **LATE DELIVERY.** Timely delivery is of the essence and a material obligation of Seller under the Order. Without prejudice to HD's other rights and remedies, Seller shall: (i) immediately notify HD in the event that timely performance of the Order is delayed or likely to be delayed, (ii) ship the Product via expedited routing at Seller's expenses, and (iii) take all reasonable steps to mitigate further delays.
14. **NON-CONFORMANCE.** Any non-conformance or deviation from the Technical Requirements must be notified in writing to HD immediately upon discovery by Seller. Promptly after receipt of a notice of non-conformance or breach of warranty from HD, the Seller shall provide a written remedial plan to HD setting out the root cause of the non-conformance, proposed corrective actions and a recovery schedule. HD shall be under no obligation to accept Seller's remedial plan and Seller shall not carry out any corrective action unless authorized by HD in writing. Without prejudice to HD's other rights and remedies, upon issuance of a notice of non-conformance or breach of warranty to Seller, HD may, at its discretion and at Seller's cost, require Seller to: (i) ship a new replacement Product at the location designated by HD, (ii) promptly correct the non-conforming Product at the location designated by HD and document in writing all corrections made and update applicable documentation accordingly, or (iii) provide HD with a complete refund. Should Seller fail to comply with HD's instructions in a timely manner, HD may correct or replace the non-conforming Product at Seller's cost. The return of the non-conforming Product to Seller and delivery of the corrected or replaced Product shall be at Seller's sole risk and expenses. Notwithstanding the foregoing, HD may at its sole discretion accept the non-conforming Product subject to an equitable price reduction to be agreed.
15. **CONFIDENTIAL INFORMATION.** Seller may obtain certain confidential and/or proprietary information from HD, such as: (a) technical or commercial information, including drawings, designs, specifications, statement of work, manufacturing methods, pricings, material lists and supplier or customer information, (b) any information, whether oral or written, marked or identified at the time of disclosure as being confidential and/or proprietary, and (c) any information and discussion in connection with the Order (collectively "**HD Confidential Information**"). Seller shall: (i) maintain all HD Confidential Information in strict confidence, (ii) only use HD Confidential Information for the performance of the Order, and (iii) not disclose HD Confidential Information to anyone, except to its employees and consultants having a need to know for performance of the Order and who are bound by written obligations of confidentiality at least as restrictive as those set out herein. In any event, Seller shall be responsible for the failure of its employees or consultants to protect HD Confidential Information. Upon completion or termination of the Order, Seller shall return all HD Confidential Information and Furnished Property to HD or make such other disposition thereof as may be directed by HD in writing. In any event, any HD Confidential Information kept in Seller's possession shall remain confidential and subject to this section notwithstanding completion or termination of the Order. Seller agrees that in the event of a breach or threatened breach of this section, and in addition to any other rights or remedies available, HD may seek injunctive or other equitable reliefs. This section does not supersede or affect any non-disclosure agreement or similar agreement already executed by HD and Seller.
16. **INTELLECTUAL PROPERTY.** "**Intellectual Property**" shall mean any and all: (i) matters patentable and inventions, processes, methods and designs, whether or not patentable, (ii) copyrightable work or other work of authorship, such as technical documentation, industrial designs and source codes, (iii) trademarks, service marks and trade names, (iv) trade secrets, and (v) rights, titles and interests in any of the foregoing. The ownership of any Intellectual Property developed or conceived by Seller prior to, or independently from, the Order shall remain with Seller. The ownership of any Intellectual Property developed or conceived by Seller during the performance of the Order shall remain with Seller unless specifically paid for by HD. Seller hereby grants to HD and its customer(s) a non-exclusive, irrevocable, perpetual, worldwide and royalty free license (with the right to sub-license) to use Seller's Intellectual Property in any manner but only to the extent necessary to use, sell, maintain, repair, rework or install the Product or for training purpose, as applicable. Seller shall deliver all relevant Intellectual Property documents and materials to HD promptly upon request and execute any document and provide required assistance to give effect to the rights or title granted to HD hereunder. Any Intellectual Property provided by HD to Seller shall remain the exclusive property of HD (or its licensors) and shall be treated as HD Confidential Information in accordance with section 15 "**Confidential Information**" above.
17. **INDEMNIFICATION.** Seller agrees to indemnify, defend, and hold harmless HD and its directors, officers, employees and customers from and against any and all claims, actions, losses, expenses (including legal and attorney fees), damages, penalties, fines, liabilities and settlements arising out of or in connection with any claim relating to: (i) the actual or alleged infringement of any Intellectual Property of a third party resulting from the manufacture, sale and/or use of the Product, (ii) personal injury, death and/or damage to property caused by the Product or Seller's personnel, (iii) Seller's violation of applicable laws or regulations, and (iv) Seller's gross negligence or willful misconduct, including the intentional breach of the Order. The obligation to indemnify pursuant to subparagraph (i) and (ii) above shall not apply where the infringement or accident solely arose from Seller's compliance with detailed designs provided by HD and where the infringement or accident could not be avoided in complying with such designs.
18. **DEFAULT.** In the event Seller is in breach of any of its obligations under the Order ("**Default**"), HD shall be entitled at its discretion to: (i) withhold payments otherwise due to Seller until the Default is remedied to HD satisfaction, (ii) recover from Seller, whether by set-off or otherwise, any damages, losses, costs and expenses resulting from the Default, including rectification and replacement costs and any amounts claimed to HD by its customer, (iii)

receive a full refund of the price paid for the defaulting Product, and/or (iv) terminate the Order if Seller fails to cure the Default within ten (10) days following receipt of a termination notice from HD. To the extent permitted by applicable law, HD may terminate the Order immediately upon Seller's filing or institution of bankruptcy, reorganization, liquidation or receivership proceedings, or upon an assignment of a substantial portion of the assets for the benefit of creditors by Seller.

19. **ORDER CANCELLATION.** HD may for any reason and at any time terminate the Order, in whole or in part, by written notice to Seller. HD's liability for terminated Order will be limited to: (i) the price of any unpaid completed Product that complies with the Technical Requirements, (ii) an equitable price for any unfinished Product manufactured within the lead-time of the terminated Product, and (iii) the cost of unused material and supplies procured by Seller specifically for the terminated Product that Seller cannot use for another customer. Seller shall provide all relevant records, invoices and documents to confirm the accuracy of any amount claimed.
20. **CONSEQUENCES OF TERMINATION.** On the effective date of the termination of the Order, whether pursuant to section 18 "Default" or 19 "Order Cancellation" above, Seller shall stop all work, cancel all subcontracts and, as instructed in writing by HD, take all actions for the protection and delivery of finished and unfinished Product, Furnished Property, as well as material and supplies procured by Seller specifically for the terminated Product and/or Order. In no event shall HD be liable to Seller for loss of anticipated profits, unabsorbed indirect costs or overhead, or for any sum in excess of the price of all terminated Product.
21. **LAWS & REGULATIONS.** Seller warrants that it will: (i) comply with all applicable laws, rules and regulations, including without limitation applicable country laws relating to anti bribery and corruption, and (ii) obtain all licenses, permits and authorizations required by applicable law to engage in the activities necessary to perform its obligations under the Order.
22. **EXPORT CONTROL & INDUSTRIAL SECURITY.** Without limiting the generality of section 21 "Laws & Regulations" above, Seller acknowledges that the Product and related technical data and Furnished Property may be subject to export control legislations, including the relevant legislation in the country(ies) where Seller and HD are established, the U.S. International Traffic in Arms Regulations (ITAR) and/or the U.S. Export Administration Regulations ("EAR") (collectively, "**Export Control Laws**"). Seller warrants that no Product or related technical data or Furnished Property shall be disclosed to entity or person in violation of the applicable Export Control Laws, nor shall any Product, related technical data or Furnished Property be exported without first complying with all requirements of the applicable Export Control Laws, including obtaining an export license and/or technical assistance agreement, as applicable. **For Canadian Sellers only:** Seller acknowledges that the Product, related technical data and Furnished Property received from HD under the Order may be subject to the Canadian Controlled Goods Regulations (SOR/2001-32), Seller shall at all times during performance of the Order maintain effective registration under the Controlled Goods Program ("**CGP**"). Seller further agrees not to transfer the Product, related technical data or Furnished Property to: (i) any employee or individual under its direction who has not been authorized to access "Controlled Goods", or to (ii) third party not registered under the CGP.
23. **CYBER SECURITY.** Seller shall maintain a formal information technology security program ("**Security Program**") in accordance with current best industry standards such as NIST 800-53, NIST 800-171 or ISO 27002. If Seller is performing work under a U.S. Government subcontract, compliance with NIST 800-53 or NIST 800-171 (as applicable) is mandatory. The Security Program shall be designed to: (i) ensure the security and integrity of the data in the possession or control of Seller, including any HD Confidential Information, (ii) protect against threats or hazards to the security (including physical and logical) or integrity of such data, and (iii) prevent unauthorized access to such data. The Security Program should be in place, continually improved and audited as long as Seller possesses or has under its control any HD Confidential Information. Upon HD request, Seller shall provide a copy of its Security Program policies and procedures for audit purposes.
24. **CODE OF CONDUCT.** Consultant shall comply with HD Supplier Code of Conduct available at <https://www.herouxdevtek.com/en/portail-fournisseurs/supplier-portal-supply-chain>. Should this link for any reason becomes inactive or defective, Seller shall promptly request an electronic copy of the HD Supplier Code of Conduct. Alternatively, Seller shall adopt and comply with a code of conduct or policy statement regarding business conduct, ethics and compliance that satisfies, at a minimum, the principles and expectations set out in the HD Supplier Code of Conduct. Commensurate with the size and nature of Seller's business, Seller shall have management systems, tools, processes and/or policies in place to ensure compliance with the requirements the applicable code of conduct and promote awareness of ethical business practices throughout its organization.
25. **GOVERNING LAW & DISPUTES.** The Order is governed by the laws of the state, province or territory where the HD entity issuing the Order is located, excluding its choice or conflict of law rules. The *United Nations Convention on Contracts for the International Sale of Goods* shall not apply to this Order. Any dispute arising hereunder that cannot be resolved amicably between HD and Seller shall be exclusively submitted to the competent court of the jurisdiction of the HD entity issuing the Order. HD and Seller waive any rights to a jury trial, and consent that any litigation shall be tried before a judge only. In no event shall Seller be entitled to incidental, indirect, exemplary, punitive or consequential damages (including without limitation, lost profits) arising from or relating to this Order, or any breach thereof.
26. **ASSIGNMENT.** Seller shall not assign any of its rights or obligations under the Order without the prior consent of HD. Should Seller become owned or controlled, or merge with any person or entity which is strategically not acceptable to HD, HD shall be entitled to terminate the Order without liability to HD. HD is entitled to assign and novate any or all of its rights and obligations under the Order to any of its affiliate or to its customer.
27. **NO WAIVER.** No waiver by HD of any of the provisions of the Order shall be effective unless explicitly set out in writing and signed by an officer of HD. No failure by HD to exercise, or delay in exercising, any of its right or remedy under the Order shall operate or be construed as a waiver of such right or remedy.
28. **SEVERABILITY.** Each provision of the Order shall be valid and enforceable to the fullest extent permitted by law and any invalid, illegal or unenforceable provision shall be deemed replaced by a provision that is valid and enforceable and that comes closest to expressing the intention of the invalid, illegal or unenforceable provision. Any other provision of the Order shall remain unaffected and in full force and effect.