

PURCHASING TERMS AND CONDITIONS

These terms and conditions (these “Terms”) apply to the purchase and/or sales order (“Purchase Order”) to which they are appended between Lufthansa Technik Canada Inc., a corporation incorporated under the laws of the Province of Alberta with an office address at Suite 1240, 150 – 9th Avenue SW, Calgary, Alberta T2P 3H9 (hereinafter “Buyer”) and the counter-party identified with its legal name and address on the Purchase Order to which these Terms are appended and incorporated by reference (hereinafter “Seller”). Buyer and Seller are each referred to as a “Party” and together as the “Parties”.

1.0 ACCEPTANCE

- (a) The Purchase Order for goods (“**Goods**”) and/or services (“**Services**”) to which these Terms are appended and any specifications, drawings, requirements or other attachments thereto or hereto (collectively, this “**Contract**”), constitute the sole and entire agreement between the parties, and supersede all prior or contemporaneous understandings, agreements, negotiations, representations and warranties, and communications, both written and oral. All references herein to the "Purchase Order" includes the order documentation issued by the Buyer, as supplemented by these Terms, including any specifications, drawings, requirements or other attachments thereto or hereto, and as may be from time to time amended or supplemented by other specifications, drawings, requirements or other modifications and agreements in writing and signed by each of Seller and Buyer.
- (b) Except as otherwise agreed upon in writing by each of Buyer and Seller, any terms or conditions contained in the Purchase Order that are in conflict with these Terms shall be deemed rejected and not part of this Contract. Further, these Terms prevail over any of Seller’s general terms and conditions of sale regardless of whether or when Seller has submitted its sales confirmation or such terms. No other terms or conditions shall be binding upon Buyer or Seller unless in writing specifically referencing these Terms and signed by each of Buyer and Seller. Fulfilment of the Purchase Order constitutes acceptance of these Terms.
- (c) Any reference to any proposal, quotation or other communication by Seller shall, unless indicated to the contrary herein, be deemed to be limited to the description of the Goods or Services and to be limited by these Terms, the provisions of the Purchase Order and any specifications, drawings, requirements or other attachments to the Purchase Order.

2.0 CHANGES AND TERMINATIONS

- (a) **Change Orders.** Buyer may at any time, by written change orders issued to Seller, make changes in specifications, drawings, requirements, method of shipment and place and time of delivery. If any change causes an increase or decrease in the cost of, or the time required for, performance, an equitable adjustment shall be made to the purchase price or delivery schedule, or both, and the Purchaser Order shall be modified in writing accordingly. No claim for adjustment shall be valid unless asserted within thirty (30) days from the date of receipt by Seller of the Buyer’s change order.
- (b) **Terminations.** By written notification delivered to Seller any time prior to delivery of the Goods or Services that are the subject of the Purchase Order, Buyer may terminate or cancel the Purchase Order. Seller shall, upon receipt of Buyer's notice of termination, stop all work, except as otherwise directed by Buyer. Any amounts which Seller may claim as a result of termination shall be limited to reasonable costs incurred by Seller directly connected with the work actually performed prior to receipt of Buyer's notice of termination. Such amounts shall be reduced by any refunds or salvage values available to Seller and the aggregate amount of any previous payments made to Seller. Under no circumstances shall the total payments exceed the total price of the Purchase Order. Upon such payment, Buyer shall be entitled to all goods, materials and work in process. Upon Buyer's written notification of termination of an order, Buyer will not be liable for the cost of any material ordered in advance of a 60 days delivery schedule, unless such advance order shall have been expressly and in writing authorized by Buyer.

3.0 DELIVERY OF GOODS AND PERFORMANCE OF SERVICES

- (a) Seller shall deliver the Goods in the quantities and on the date(s) specified in the Purchaser Order or as otherwise agreed in writing by the parties (the “**Delivery Date**”). Seller shall deliver all Goods to the address specified in

the Purchaser Order (the “**Delivery Point**”) during Buyer’s normal business hours or as otherwise instructed by Buyer. All Goods are to be packed in suitable containers for protection in shipment and storage. Any highly polished, highly finished or precision parts are to be properly preserved and packed in containers which will afford protection against handling damages and/or atmospheric deterioration. Seller shall be responsible for Goods until delivered at the Delivery Point regardless of the point of inspection, and Seller shall bear all risks as to rejected Goods after notice of rejection. Seller shall mark Buyer's Purchase Order number on all invoices, packages, bills of lading and shipping orders. Shipment shall be made F.O.B. to the Delivery Point, unless a different F.O.B. point is agreed upon by the Parties in writing. Unless otherwise provided in this Contract, title in goods, including tooling, hereunder vests in Buyer only upon final inspection and acceptance at Buyer's designated facility. All international orders must reflect the applicable Incoterms 2020. The Seller must supply the Goods as agreed in this Contract, together with such evidence of conformity as may be required by this Contract. Regardless of the Incoterm in use, the Buyer must take receipt and pay for the Goods delivered, as stated in the Contract.

- (b) Seller shall provide the Services to Buyer as described and in accordance with the schedule set forth in the Purchase Order and in accordance with these Terms.
- (c) IMPORTER OF RECORD; ULTIMATE CONSIGNEE. Buyer shall not be a party to the importation of the Goods or Services related to the transaction(s) represented by any Contract or Purchase Order and Buyer shall not in any event be designated as “importer of record” or “ultimate consignee” on any customs declaration or customs entry form. Upon request and where applicable, Seller shall provide Buyer with customs forms, properly executed, as required for drawback claims. Seller shall be responsible for all duties, tariffs, taxes and other costs incurred as a result of being designated importer of record.

4.0 PAYMENTS AND DISCOUNT

Seller shall issue an invoice to Buyer on or any time after the completion of a delivery and only in accordance with these Terms. Within ninety (90) calendar days of submission of proper invoices, and subject to the terms of this Contract, Seller shall be paid the prices specified in the Purchase Order for work and Goods delivered and accepted or Services rendered and accepted. No C.O.D. shipments shall be made unless pursuant to prior arrangements approved in writing by Buyer. Buyer may set off any of its claims against payments otherwise due Seller. Discounts shall be calculated as of the date of receipt of Goods or Services or date of receipt of a proper invoice, whichever is later.

5.0 WARRANTIES

- (a) Seller warrants that the Goods to be supplied under this Purchase Order will:
 - (i) be newly manufactured of new components and materials;
 - (ii) conform to applicable specifications, drawings, designs, samples, and other requirements specified by Buyer;
 - (iii) be fit and sufficient for the purpose intended and operate as intended;
 - (iv) be merchantable
 - (v) be of good quality, and free from defects, whether patent or latent, in material and workmanship;
 - (vi) be free from defects in design (where design is Seller's responsibility);
 - (vii) conform to all specifications, drawings, design requirements, samples, and other requirements specified by Buyer applicable to said Goods;
 - (viii) be free and clear of all liens, security interests, or other encumbrances and that Seller has good title to such Goods; and
 - (ix) not infringe any person’s proprietary or intellectual property rights, whether registered or not.
 - (x) These warranties survive any delivery, inspection, acceptance, or payment of or for the Goods by Buyer;
- (b) Seller warrants to the Buyer that it shall perform the Services using personnel of required skill, experience, and qualifications and in a professional and workmanlike manner in accordance with generally recognized industry standards for similar services and shall devote adequate resources to meet its obligations under this Contract;
- (c) the warranties set forth in this Article 5 are cumulative and in addition to and not exclusive of, any others which may be implied by law or equity;

- (d) Seller agrees, at its own expense and whenever and as often as requested by Buyer, to furnish and deliver to Buyer evidence, in form and substance satisfactory to Buyer, showing that each and all of said specifications, drawings, requirements and samples have been fully and completely met and that the Goods supplied hereunder fully and completely conform to such specifications, drawings, requirements and samples. Seller agrees that it shall hold Buyer harmless from any claim asserted by any third party, on any legal theory, arising from any defect in material or workmanship of the items purchased hereunder.

6.0 COMPLIANCE

Seller warrants that all Goods and Services sold hereunder shall have been produced, sold, delivered and furnished in strict compliance with all terms and conditions listed on all parts of this Contract, all applicable laws and regulations including, but not limited to, the Aeronautics Act (Canada), Canadian Aviation Regulations (Canada) and any federal or provincial law or regulation relating to occupational health and safety, notably the Occupational Health and Safety Act (Alberta), the Safety Codes Act (Alberta), applicable laws relating to non-discrimination and affirmative action, and any other federal or provincial laws, rules, regulations, and Orders in Council of the Federal Government of Canada and of any province or political subdivision thereof.

Seller certifies that it will conduct all operations involving the sale of Goods and/or the provision of Services to Lufthansa Technik Canada Inc. in full compliance with all applicable laws, including anti-corruption laws, notably the Foreign Corrupt Practices Act (Canada) and the Criminal Code (Canada), each as amended from time to time, and that no portion of any payment received from Lufthansa Technik Canada Inc. will be used to violate any law or will be corruptly provided on Lufthansa Technik Canada Inc.'s behalf to any government official.

7.0 DELAYS

Time is of the essence. If Seller does not deliver as ordered on or before the Delivery Date shown on this Purchase Order, Buyer may terminate the Purchase Order or the undelivered part thereof. Such cancellation shall be without prejudice to, or waiver of, Buyer's right to recover damages therefore. If Buyer does not receive items and paperwork on the agreed upon Delivery Date, and such delay was not caused by a Force Majeure Event, Buyer may charge a \$250 late delivery fee to the Seller.

8.0 DATA AND MATERIAL

Seller agrees not to use or disclose any data, designs or other information furnished by or belonging to Buyer, except in performance of this Purchase Order. Upon Buyer's request such data, designs or other information, and any copy thereof, shall be returned to Buyer. If Buyer furnishes or specifies any materials or processes for fabrication hereunder, Seller agrees to provide certification copies for specified materials or processes and agrees not to use any other material or process in such fabrication without Buyer's written consent. Buyer agrees not to use or disclose any data, designs or other information furnished by or belonging to Seller, except in connection with Buyer's use of the Goods and Services that are the subject of this Purchase Order. Except as may be specifically excluded in this Purchase Order, all reports, designs, drawings, studies, specifications, software, materials, documentation, inventions and other work product ("Work Product") created or produced by, or arising in connection with the performance of this Contract by, the Seller or any of its personnel, whether completed or in progress, and regardless of who was involved therewith, shall be the exclusive property of the Buyer. The Seller hereby assigns, transfers and conveys all of its right, title and interest in or to any Work Product, including all associated worldwide intellectual property rights therein, to the Buyer, and hereby expressly disclaims and waives any residual rights (including any moral rights) it may have in or to such Work Product. The Seller shall deliver all Work Product to the Buyer upon demand by the Buyer and in any case, upon termination of this Contract for any reason whatsoever. The Buyer's ownership of, and title to, the foregoing shall arise automatically upon its creation.

9.0 INSPECTION AND QUALITY CONTROL

- (a) Seller shall ensure that its personnel are competent, properly licensed, certified, or accredited as required by applicable law and possess the necessary skills, qualifications and training reasonably necessary to perform the work and to fabricate or provide the Goods or Services that are the subject of this Purchase Order. Seller and all of its suppliers shall maintain a quality management system that ensures supplies and services comply with all Buyer requirements. Seller shall ensure that its quality management system and other records systems include procedures for identifying, tracking, reporting and auditing the identification and revision status of all specifications, drawings, process requirements, inspection/verification instructions and other relevant technical data relating to this Purchase Order. Physical and chemical analysis test data of the material supplied under this Purchase Order and a certified statement that the test results are within specified limits are required and shall

be furnished by Seller. The test data shall provide objective evidence that the material meets the chemical and physical requirements of the applicable purchase order or relevant specification/drawing. When applicable, test specimens (e.g. production method, number, storage conditions) for design approval, inspection, verification (including production process verification) use of statistical techniques for product acceptance, and related instructions for acceptance by Buyer and, as applicable, critical items including key characteristics, investigation or auditing documentation traceable to the articles on this Purchase Order must be submitted with each shipment. Seller shall maintain procedures to ensure that Goods which do not conform to specified requirements are prevented from unauthorized shipment to Buyer. If Seller has reason to believe that nonconforming Goods may have been inadvertently shipped, Seller shall immediately notify Buyer. If Seller believes a deviation from the requirements of this Purchase Order is in order, Seller shall provide notice of the contemplated deviation to Buyer, and such deviation shall be subject to the prior written approval of Buyer. Seller must obtain Buyer's written approval for nonconforming product disposition. Seller must provide advance written notice to Buyer of any significant changes (pertaining to what is required on Buyer's purchase order) to Seller's product and/or process, method, material, manufacturing facilities changes, changes of Seller's suppliers, and Seller shall obtain Buyer's written approval of such changes as it may affect the Goods or Services subject to Buyer's Purchase Order, where required. Seller and its suppliers must allow Buyer, Buyer's customers (and such customer's representatives, and all relevant governmental/regulatory authorities) on-site verification of Seller's and its suppliers' quality management system, manufacturing process and product. Seller shall allow Buyer and such other persons access to the applicable areas of all facilities, at any level of the supply chain involved in the order and to all applicable records; provided that Buyer's inspection or other verification of such matters shall not be cited by the Seller or its suppliers as evidence or approval of effective control of quality and shall not absolve Seller or its suppliers of its or their responsibilities to provide acceptable product and to comply with all relevant requirements.

- (b) Seller and its suppliers, including dealers and distributors, are responsible for ensuring that the applicable requirements (including customer requirements) of this Purchase Order flow down to lower tier suppliers of the supply chain who provide raw material, components or process services used in the Good or Service provided. Seller must ensure that applicable records relating to this Purchase Order and the Goods and Services supplied hereunder are retained for a minimum of 7 years, or such longer time that may be required under applicable law.
- (c) All governmental or other authority/regulatory approval requirements must be met prior to shipment of any item of this Purchase Order. The format and content of release documentation and quality records will include, when applicable, but not be limited to, the following: Approval Certificates of Conformity, Test Reports, Material Certification, Chemical Analysis, Travelers, non-conformance documentation/rejection tags, Authorized Release Certificate, Statement of Non-Incident, last certified operator, MSDS, and, for life limited parts, full back to birth traceability including all readiness log information and or the respective Folio12 information. Any deviations must be specified explicitly in this Purchase Order. Seller must have a system for reporting defects and un-airworthy conditions. All work shall be subject to inspection and test by Buyer and/or Buyer's customer, including, but not limited to, the Canadian Government. All materials or articles ordered may be subject to: (i) inspection during the period of manufacture (ii) inspection prior to shipment; and (iii) final inspection and acceptance at destination, notwithstanding any prior payment or inspection and acceptance. Seller shall inspect and document all work hereunder pursuant to high standards of quality control. Any material failing to meet Buyer's or its customer's standards may be rejected by Buyer, who may, at its option, and at Seller's risk and expense: (i) rework or repair rejected work; (ii) return rejected work to Seller, for which Seller shall refund the price and pay to Buyer the costs incurred by Buyer (iii) require Seller to repair or replace any such rejected work. Buyer's inspection shall not constitute a waiver or alteration of any warranties, including those set forth in Article 5 of these Terms. If the Purchase Order is for elastomeric material, then Seller shall package parts individually in accordance with applicable specification and/or drawing requirements. Each package will be labeled with: Quantity, Part Number, Description, Cure Date, Shelf Life/Applicable MIL-SPEC of material, Manufacturer, Batch/Lot Number, Supplier Name, and P.O. Number.

10.0 TOOLING AND MATERIAL

Title to, and the right of immediate possession of all tooling and material furnished by Buyer to Seller shall remain with Buyer. Seller shall confirm to its own satisfaction that such tooling or materials is suitable for its performance under this Contract. If this Purchase Order is for tooling or parts, such tooling or parts shall become the property of Buyer upon acceptance thereof by Buyer, at Buyer's facility, or as evidenced by written acceptance by Buyer. Invoices shall be submitted for tooling after acceptance by Buyer of sample (first article) or a sample of production parts for which tooling

was ordered. Payment by Buyer of invoices for tooling will be made following receipt of documentation (i) showing Buyer's part number and tool code number, other identifying data Buyer may reasonably require, and the unit price of each tool for which payment is sought, and (ii) bearing Seller's certification that each tool listed is complete and satisfactory for the use for which it is intended. Buyer's tooling in the possession of Seller shall be maintained in good condition and must be permanently identified (i) showing the name of Buyer; (ii) the part number; and (iii) tool code number. All tooling ordered, and all tooling and material furnished by Buyer shall be used solely in the performance of work ordered by Buyer and (ii) such tooling and material shall be disposed of at any time and in the manner as Buyer may direct. Seller shall maintain inventory control of all such tooling and material and furnish inventories as required by Buyer. Such tooling and material shall not be co-mingled with property belonging to Seller or others, except as much material as may be incorporated into or attached to supplies consumed or expanded in the performance of this Purchase Order. The provisions of this clause apply to tooling ordered by Seller from its subcontractors under the Purchase Order, and to tooling and material furnished by Buyer to Seller which is furnished by Seller to such subcontractors. Seller shall carry term and extended coverage insurance on items covered by this Article 10 in an amount equal to the full replacement cost thereof. Upon Buyer's request, Seller shall provide Buyer with a certificate or other satisfactory evidence of the insurance coverage specified under this Article 10.

11.0 INDEMNITIES

- (a) Seller hereby agrees to indemnify, defend and hold harmless Buyer, its affiliates and its and their respective officers, directors, agents, subcontractors, employees, successors and assigns (the "**Buyer Indemnitees**"), and each of them, from and against any and all loss, injury, death, damage, third party claims, demands, suits, actions, causes of action, proceedings, assessments, fines, penalties, assessments, liability and/or judgements (including all interest, fees, reasonable legal fees, costs and expenses incident thereto) (collectively "**Losses**") arising out of or occurring in connection with the Goods and Services purchased from Seller or Seller's negligence, willful misconduct, or breach of this Contract. Seller shall not enter into any settlement or bind Buyer in any manner without Buyer's prior written consent.

- (b) To the extent that Goods are manufactured (i) to detailed designs not originated and furnished by Buyer, or (ii) by a process or method, the use of which is not specifically directed by Buyer, Buyer shall have no responsibility to Seller for patent infringement, and Seller guarantees that the sale or use of such supplies, or the use of such process or method hereunder, will not infringe upon any Canadian or foreign patents, trademarks, or copyrights and Seller shall indemnify, defend and hold the Buyer Indemnitees and its customers harmless from any Losses which may be incurred on account of any infringement or alleged infringement of patent rights, trademarks, or copyrights with respect to such supplies, and defend, at its own expense, any action or claim in which such infringement is alleged. Seller shall not enter into any settlement or bind Buyer in any manner without Buyer's prior written consent.

12.0 INSURANCE AND RISK OF LOSS

All tools, designs, patterns, drawings and other property, if any belonging to Buyer, shall while in Seller's possession, be at Seller's sole risk from loss or damage from all hazards. Title and risk of loss passes to the Buyer upon delivery and acceptance of the Goods at Buyer's premises. Seller bears all risk of loss or damage to the Goods until delivery and acceptance of the Goods at the Buyer's premises. In the event that Seller is required to come upon Buyer's premises, during delivery or installation of the Goods herein specified, or for the performance of Services required to be furnished by the Seller, Seller agrees that it will, before coming upon Buyer's premises, obtain insurance coverage indemnifying and holding harmless the Buyer, its officers and employees from any property damage or personal injury of whatsoever kind or nature during such delivery, installation or performance of service. Such insurance shall be in standard form for property damage, public liability and aviation general legal liability if applicable, in amounts and with such deductibles and limits as are prudently and reasonably carried by providers of materials, products and services in the business and industry in which Seller is engaged, and in all cases reasonably satisfactory to Buyer. Seller agrees to furnish Buyer on demand, with a certificate or other satisfactory evidence of such insurance coverage. Seller further agrees to carry group worker's compensation insurance for its own employees.

13.0 PRICES

The prices to be charged for the articles ordered shall not be higher than those last quoted or charged by Seller, unless the price is specified on the face of this Purchase Order. Unless otherwise stated in the Purchase Order, all prices shall be in Canadian Dollars.

14.0 GOVERNMENT CONTRACTS

If this Purchase Order indicates that it is placed under a government contract, it must be marked as such and is understood to be subject to all government laws and regulations specifically applicable to such government contracts, including those attached hereto. All documentation (i.e., purchase order, packing list, etc.) must reflect the identification number assigned by the government to the contract.

15.0 EXPORT AND IMPORT CONTROLS POLICIES AND PROCEDURES

The Parties hereby acknowledge that the execution of the Contract and the performance due under the Contract may be subject to export control laws of Canada the United States, and any equivalent law of any other jurisdiction as may be applicable, including compliance requirements set forth under the Export and Import Permits Act (Canada), Defence Production Act (Canada), Controlled Goods Regulations (Canada), Special Economic Measures Act (Canada), Justice for Victims of Corrupt Foreign Officials Act (Canada), United Nations Act (Canada), and any other similar legislation or regulation of Canada, in addition to U.S. Export Administration Regulations (EAR), 15 CFR Parts 730-774, International Traffic in Arms Regulations (ITAR), 22 CFR Parts 120-130, and U.S. economic sanctions regulations (OFAC regulations), 31 CFR Parts 500-598 and any other applicable export control laws and regulations, each as amended from time to time ("**Export Control Laws**"). Each party acknowledges its respective obligation to comply fully with applicable Export Control Laws in connection with the performance of the Contract. As part of such obligation, the Seller agrees to ensure that the execution and the performance due under the Contract is in full compliance with applicable Export Control Laws. Seller agrees to provide to Buyer prior to the performance due under the Contract the correct export classification of an item, e. g., the relevant category in Canada's Export Control List, in addition to the United States Munitions List (USML) or the Export Control Classification Number (ECCN) under the Export Administration Rules (EAR), and to provide to Buyer all necessary information related thereto, including relating to any trade restrictions imposed by the Export Control Laws relating to a particular item and shall otherwise provide to Buyer any reasonable assistance requested by Buyer to ensure full compliance with the Export Control Laws. As part of such assistance, Seller shall inform Buyer if the performance due under the Contract will require an export permit or other authorization under applicable Export Control Laws, as well as any document that Buyer must complete or submit in connection with obtaining such export permit or authorization. Seller agrees that, whenever the performance due under the Contract requires an export permit or other authorization under applicable Export Control Laws, it will obtain such permit or authorization at no cost to Buyer and in a manner that permits delivery of the item by the time for delivery. The Seller shall indemnify Buyer from and against any claim, proceeding, action, fine, loss, cost and damage arising out of or relating to any noncompliance with Export Control Laws by the Seller. This includes, but is not limited to, costs, fees and expenses, unless such noncompliance was not negligently or intentionally caused by the Seller. This provision does not imply a change in the burden of proof.

16.0 DEFAULT

Should Seller fail to provide the Goods and/or Services ordered hereunder in the quantities and at the time and price specified herein, Buyer may elect to hold Seller in default, on reasonable notice not to exceed ten days. Buyer may thereupon proceed to acquire the Goods and/or Services to have been purchased hereunder from other sources upon Buyer's election, and Seller shall be liable to Buyer for any increased costs incurred by Buyer as a result of Seller's default. Furthermore, such action shall incur no liability on the part of Buyer. If Seller shall default in any material respect hereunder, or become insolvent, or if a receiver or trustee or assignee for the benefit of creditors is appointed to control any part of Seller's business, Buyer may terminate this Purchase Order or the undelivered part thereof. Such cancellation shall be without prejudice to, or waiver of, Buyer's right to recover damages therefore. If Buyer shall default in any material respect hereunder, or become insolvent, or if a receiver or trustee or assignee for the benefit of creditors is appointed to control any part of Buyer's business, Seller may terminate this Purchase Order or the undelivered part thereof. Such cancellation shall be without prejudice to, or waiver of, Seller's right to recover damages, therefore.

17.0 GOVERNING LAW

This Contract shall be construed in accordance with and governed by the laws of the Province of Alberta and the federal laws of Canada applicable therein without giving effect to any choice or conflict of law provisions or rule. The courts in Alberta will have jurisdiction over all disputes arising from the Contract or Purchase Order. The United Nations Convention on Contracts for the International Sale of Goods does not apply to this Contract.

Any disputes between the Buyer and the Seller arising out of or related to this Contract, including without limitation disputes as to the interpretation, application or administration of this Contract, shall in the first instance, be referred to

mediation for resolution. In the event the dispute is not resolved through mediation, the dispute shall be settled by binding arbitration. The mediation and arbitration shall be conducted by a single trained and independent member of the Alberta Arbitration and Mediation Society, in accordance with the *Arbitration Act* (Alberta). The final decision of the arbitrator shall be binding on the Parties. The Buyer and the Seller shall share the costs equally, unless otherwise determined by the Arbitrator.

18.0 CORPORATE SOCIAL RESPONSIBILITY

- (a) The Seller undertakes to comply with:
- (i) The Fighting Against Forced Labour and Child Labour in Supply Chains Act (Canada) (the “**CA Supply Chains Act**”); and all other applicable laws where any of the Parties do business relating to preventing modern slavery, forced labour, child labour, or human trafficking, each as amended from time to time; and
 - (ii) The ten principles of the UN Global Compact, the five basic principles of the International Labor Organization (ILO) and the following precepts and prohibitions:

prohibition of child labor; prohibition of forced labor and all forms of slavery, exploitation, humiliation and abuse; prohibition of disregard for occupational safety and health and protection from work-related health hazards; disregard for freedom of association and the right to collective bargaining; prohibition of unequal treatment in employment; prohibition of the withholding of an adequate living wage; prohibition of the destruction of natural resources through environmental pollution; prohibition of unlawful infringement of land rights; prohibition of the commission or use of private or public security forces which, due to a lack of instruction or control, may lead to harm to life and limb; prohibition of any act or omission in breach of duty to act that goes beyond the foregoing and which is directly likely to impair, in a particularly serious manner, a protected legal position within the meaning of section 2 paragraph 2 of the “The Act on Corporate Due Diligence Obligations in Supply Chains Due Diligence Obligations in Supply Chain” (*Lieferkettensorgfaltspflichtengesetz*) (Germany) (the “**DE Supply Chains Act**”) and the unlawfulness of which is obvious upon reasonable assessment of all the circumstances in question; prohibition of the production, use and/or disposal of mercury pursuant to the Minamata Convention; prohibition of the production and/or use of substances within the scope of the Stockholm Convention (persistent organic pollutants - POPs) as well as the non-environmentally sound handling of wastes containing POPs; prohibition of the import or export of hazardous wastes within the meaning of the Basel Convention.
- (b) The Seller undertakes to provide human rights or environment-related training for employees who are responsible for minimizing or exposed to relevant risks. Buyer may require the Seller to provide evidence of the performance of and participation in relevant training courses or to ensure that the relevant employees of the Seller participate in any relevant training courses offered by Buyer or its affiliate(s).
- (c) If Buyer requests information from the Seller in context of its risk analysis to be carried out under the CA and DE Supply Chains Acts to identify or assess human rights or environment-related risks, the Seller shall provide Buyer adequately with the required information to the extent permitted by applicable law or contractual obligations. The Seller agrees that for the purposes of its risk analysis, Buyer transfers relevant information on the contractual relationship with the Seller to a third party specialized on risk analysis that processes the information on behalf of Buyer.
- (d) If the Seller discovers or otherwise becomes aware of a potential violation of human rights or environment-related obligations in its own business operations in relation to the provision of Goods or Services to Buyer, it shall be obliged to inform Buyer thereof and the measures it has taken consequently.
- (e) The Seller shall cooperate with Buyer and support Buyer with best efforts to implement the measures required by the CA and DE Supply Chains Acts with a view to terminating, preventing, and minimizing human rights and environment-related risks and violations, particularly the implementation of required preventive and remedial measures.
- (f) The Seller undertakes, upon Buyer's request, to inform its employees about the possibility of using Buyer's complaint procedure. Information about the complaint procedure as well as access to it are available at

<https://investorrelations.lufthansagroup.com/de/corporate-governance/compliance/hinweisgebersystem.html>.

- (g) Once a year or occasion-related, Buyer is entitled to conduct an audit on the Seller's business and industrial premises and within its business operations to identify and assess human rights and environment-related risks or violations and to assess and determine whether the Seller complies with its obligations pursuant to this Article 18 (an "Audit"). Buyer may mandate a third party, which is bound to professional objectivity and secrecy, to conduct the Audit during the Seller's regular business hours. Buyer shall notify the Seller of the Audit with a prior two-weeks' written notice. The Seller is entitled to take appropriate measures to protect its business secrets and personal data, particularly customer data. The Seller bears the cost of the Audit unless it demonstrates that no human rights or environment-related risk or violation and no violation of human rights or environment-related due diligence obligations exist.
- (h) The Seller assures to comply with the expectations of the Lufthansa Group as expressed in its Supplier Code of Conduct [LHG-Code-of-Conduct-Supplier-20231219-EN.pdf](#).
- (i) The Seller further undertakes to use best efforts to pass on the obligations pursuant to this Article 18 to its direct suppliers in an obligatory manner.
- (j) If Buyer finds that the Seller is in breach of any of the obligations set forth in this Article 18, Buyer reserves the right to temporarily suspend the contract concluded with such Seller or - if necessary, also extraordinarily - to terminate it for good cause.
- (k) Reservation to change: The obligations to be complied with by the Seller pursuant to this Article 18 may be adjusted at any time depending on the results of the risk analysis continuously conducted by Buyer and/or in view of the legal requirements that change from time to time.. The Seller will be informed by Buyer one (1) month prior to the entry into force of any adjustment and has the option to object to this within two weeks from the date of knowledge, of which Buyer will again inform the Seller separately in each individual case.

19.0 CONFIDENTIALITY

Each Party agrees that during the term of this Contract and for a period of five (5) years following termination or expiry of this Contract, it shall use the other Party's Confidential Information only in relation to this Contract and it shall not disclose the other Party's Confidential Information except in accordance with this Article 19. Each Party may disclose the other Party's Confidential Information to those of its representatives who need to know the other Party's Confidential Information in relation to this Contract or fulfilment of such Party's obligations under Contract, provided that it shall ensure that each of its representatives to whom Confidential Information is disclosed is aware of its confidential nature and complies with this Article 19 as if it were a Party. Each Party may disclose the other Party's Confidential Information to the extent required by law, any court, any governmental, regulatory or supervisory authority (including any regulated investment exchange) or any other authority of competent jurisdiction. Upon a Party's request, the other Party shall promptly return all documents and other materials received by such other Party. Buyer shall be entitled to injunctive relief for any violation by Seller of this Article 19.

Confidential Information means any non-public, confidential, or proprietary information (in whatever form, whether or not marked as confidential, proprietary or similar) pertaining to any intellectual property, this Contract, including, but not limited to, any know-how, trade secrets, financial, commercial, technical, tactical or strategic information of any kind, all information produced or developed in the performance of this Contract, the document itself as well as the individual provisions contained therein, and the content of the negotiations leading up to this Contract. Confidential Information of Buyer shall include Confidential Information pertaining to any of Buyer's affiliates, or any of their respective officers, directors, agents, subcontractors and employees.

20.0 LIMITATION OF LIABILITY

IN NO EVENT SHALL BUYER BE LIABLE FOR ANY BUSINESS INTERRUPTION, LOST REVENUES, LOST PROFITS, INCIDENTAL, INDIRECT, CONSEQUENTIAL, SPECIAL OR PUNITIVE DAMAGES OF ANY KIND ARISING IN CONNECTION WITH THE PURCHASE ORDER OR THE PARTIES' RESPECTIVE RIGHTS OR OBLIGATIONS ARISING THEREUNDER, REGARDLESS OF THE FORM OF ACTION (WHETHER IN CONTRACT, TORT OR ANY OTHER FORM OF LIABILITY) AND REGARDLESS OF WHETHER ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. BUYER'S TOTAL LIABILITY ON ANY CLAIM OF ANY KIND FOR ANY LOSS OR DAMAGE ARISING OUT OF OR IN CONNECTION

WITH OR RESULTING FROM THIS CONTRACT OR FROM THE PERFORMANCE OR BREACH THEREOF SHALL IN NO CASE EXCEED THE PRICE ALLOCABLE TO THE GOODS OR SERVICES OR UNIT THEREOF WHICH GIVES RISE TO THE CLAIM.

21.0 ASSIGNMENT

Seller shall not assign, transfer, delegate, or subcontract any of its rights or obligations under this Contract without the prior written consent of Buyer. Any purported assignment or delegation in violation of this Article shall be null and void. No assignment or delegation shall relieve the Seller of any of its obligations hereunder. Buyer may at any time assign or transfer any or all of its rights or obligations under this Contract without Seller's prior written consent to any affiliate or to any person acquiring all or substantially all of Buyer's assets.

22.0 SURVIVAL

All provisions of the Contract which by their nature should apply beyond termination, will survive the expiration or termination of the Purchase Order or the Contract, including without limitation, Articles 5 (Warranties), 11 (Indemnities), 15 (Export and Import Controls Policies and Procedures), 17 (Governing Law), 19 (Confidentiality), 20 (Limitation of Liability), 21 (Assignment), 22 (Survival), 23 (Force Majeure) and 24 (Relationship of Parties).

23.0 FORCE MAJEURE

Neither Party shall be liable for any failure to perform under a Purchase Order where such failure to perform is caused by the following circumstances beyond its control (provided that such Party uses its best efforts to mitigate such failure to perform and seek alternative arrangements to fulfill its obligations under the Purchase Order(s)): acts of God fire, flood, acts of war, terrorism, or other natural disasters (each a "**Force Majeure Event**"). Neither Party shall be entitled to terminate a Purchase Order due to a Force Majeure Event, provided that if Seller experiences a Force Majeure Event causing a delay of delivery of Goods or performance of Service of more than thirty (30) days, Buyer may terminate such Purchase Order without liability.

24.0 RELATIONSHIP OF PARTIES

The relationship between the Parties is that of independent contractors. Nothing contained in this Contract shall be construed as creating any agency, partnership, joint venture, or other form of joint enterprise, employment, or fiduciary relationship between the Parties, and neither Party shall have authority to contract for or bind the other Party in any manner whatsoever. No relationship of exclusivity shall be construed from this Contract.

By accepting the order, we confirm that we will act in accordance with Article 3g of Regulation (EU) 833/2014, current version, and that we will send the required compliance document for shipments to Lufthansa Technik Canada Inc. starting 30 September 2023.

Last modified: 08 August 2025