

THE BOEING COMPANY GENERAL PROVISIONS (GP) referenced in this contract is modified by the following additional clauses:

1. ENGLISH LANGUAGE

- a. The parties agree that this contract, as well as all contractual documents, correspondence, invoices, notices, and other documents, shall be in American English. Any necessary conversations shall be in English. Buyer shall determine whether measurements will be in the English or metric system or a combination of the two. Seller shall not convert measurements that Buyer has stated in the English system into the metric system in documents furnished to Buyer.
- b. The following sentence is applicable only to companies located in Quebec, Canada: "Les parties aux presentes ont convenu de rediger ce contrat en Anglais seulement." [Translation: The parties hereto have agreed that this contract be drafted in English only.]

2. UNITED STATES CURRENCY

Unless otherwise specified elsewhere, all prices and payments shall be in the currency of the United States (U.S. dollars), with no prices or payments adjusted for changes in currency exchange rates.

3. IMPORT/EXPORT

- a. In performing the obligations of this Agreement, both Parties will comply with applicable import and export laws and regulations of seller's country and United States export control and sanctions laws, regulations, and orders, as they may be amended from time to time, applicable to the export and re-export of goods including parts, plans, tools, documents, software, technology, or technical data ("Items") or Services, including without limitation the Export Administration Regulations (EAR), International Traffic in Arms Regulations (ITAR), and regulations and orders administered by the Treasury Department's Office of Foreign Assets Control and Controlled Goods (CG) Program of Canada (collectively, "Export Control Laws"). This Contract may involve information or items which may not be released to "Foreign Persons" outside the USA unless authorized by Boeing.
- b. The Party conducting the export shall be responsible for obtaining the required authorizations. The Party conducting the re-export shall be responsible for obtaining the required authorizations. Each Party shall reasonably cooperate and exercise reasonable efforts to support the other Party in obtaining any necessary licenses or authorizations required to perform its obligations under this Agreement.
- c. Export Control Classification Numbers (ECCN) are applicable to all USA origin Items. The Party providing any Items under this Agreement shall, upon request, notify the other Party of the Items' ECCNs as well as the ECCNs of any components or parts thereof if they are different from the ECCN of the Item at issue.
- d. Each Party represents that (i) the Items, and the parts and components thereof, provided under this Agreement are not "defense articles" as that term is defined in 22 C.F.R. §§ 120.6; and (ii) the services provided under this Agreement are not "defense services" as that term is defined in 22 C.F.R. §§ 120.9. The Parties acknowledge that this representation means that an official capable of binding the Party providing such Items knows or has otherwise determined that such Items, and the parts and components thereof, are not on the ITAR's Munitions List at 22 C.F.R. §§ 121.1. Each Party agrees to reasonably cooperate with the other in providing, upon request of the other Party, documentation or other information that supports or confirms this representation.
- e. To the extent that such Items, or any parts or components thereof, were specifically designed or modified for a military end use or end user, the Party providing such Items shall notify the other Party of this fact and shall also provide the other Party with written confirmation from the United States Department of State that such Items, and all such parts or components thereof, are not subject to ITAR jurisdiction.

- f. Purchase orders issued pursuant to this contract shall specify the applicable International Commercial Terms of Sale (Incoterms) and the Canadian importer of record for all items procured under this contract.

4. DUTY FREE/SPECIAL TARIFF PROGRAMS/FREE TRADE AGREEMENTS

- a. In addition to the required commercial invoice, packing list and bill of lading, Seller shall provide the following documentation to support any duty free, special tariff programs or free trade agreements as applicable prior to shipping to Canada or to the United States.
 - 1) North American Free Trade Act (NAFTA) – Original or blanket NAFTA Certificate of Origin
 - 2) Civil Aircraft Agreement – Qualification statement, affidavit
 - 3) Generalized System of Preferences (GSP) – GSP declaration
 - 4) Israeli Free Trade Act – Form A
 - 5) Caribbean Basin Economic Recovery Act (CBERA) – CBERA declaration
 - 6) Caribbean Basin Trade Partnership Act (CBTPA) – CBTPA declaration
 - 7) African Growth Opportunity Act Qualification statements, affidavits
 - 8) Chilean Free Trade Act (CFTA) – CFTA declaration
 - 9) Jordan Free Trade Act (JFTA) – JFTA declaration
 - 10) Singapore Free Trade Act (SFTA) – SFTA declaration
 - 11) Australian Free Trade Act (AFTA) – AFTA declaration
- b. The facts contained in the documentation shall be verified by the Seller and originally signed by the verifying official who has direct knowledge of the facts contained in the documentation.
- c. If a blanket certificate is issued, the information shall be revised accordingly whenever changes occur and the document shall be verified on an annual basis by the Seller and resubmitted to the Buyer on an annual basis during the life of the contract.

5. NO CONTRIBUTIONS, FEES, AND COMMISSIONS

In addition to compliance with the Foreign Corrupt Practices Act as set forth in the General Provision, Seller will not directly or indirectly authorize, promise, offer or make any political contributions as defined in 22 Code of Federal Regulations (CFR) 130.6 or any fees or commissions as defined in 22 CFR 130.5.

6. PACKING, SHIPPING, AND TRANSPORTATION

This clause applies in lieu of the clause entitled "Packing and Shipping" found in The Boeing Company General Provisions (GP) applicable to and referenced in this contract.

- a. General Packing and Shipping Instructions: Unless directed otherwise in writing, Seller will package and ship the Goods in accordance with the most current revision of Boeing Winnipeg document Doc-0106 and the following instructions. If Seller is unable to comply with the packing and shipping instructions, Seller will contact Buyer's Authorized Procurement Representative.
- b. Packing: Unless directed otherwise in writing, Seller shall pack the Goods in accordance with the most current revision of D37522-6, "Supplier Packaging Instructions". If Goods are damaged or have deteriorated as a result of improper packing or packaging, Seller shall, at Buyer's option, either repair or replace the Goods or reimburse Buyer for the damaged or deteriorated Goods.

Wood Packaging Materials (WPM) – All wood packaging shall meet the requirements of the most current revision of ISPM 15 "International Standards for Phytosanitary Measures, Regulation of Wood Packaging Material in International Trade".

All Goods to be furnished to Buyer under this contract shall be prepared and packed for shipment in a manner acceptable to Buyer to comply with carrier regulations and prevent damage or deterioration during handling, shipment, and storage for up to 90 days at destination.

- c. Packaging Design: When requested by Buyer, Seller shall submit to Buyer two copies of Seller's proposed preparation procedure and packing design, not less than 30 days before first shipment, for Buyer approval, and Seller shall prepare and package in accordance with the procedure and design approved by Buyer.
- d. Inner Package: In addition, each unit container, including individual part, box, or other innermost package, each intermediate container, and each shipping container within each shipment shall be marked in English in accordance with Buyer's written instructions. The number 1 shipping container of each shipment shall contain:
 - 1) A packing list indicating in English the contents of the entire shipment in accordance with Buyer's written instructions;
 - 2) One copy of any test or other report required by the applicable contract specifications; and
 - 3) Securely attached to its exterior, one copy of Seller's commercial invoice enclosed in a waterproof wrapper and clearly marked "Commercial Invoice." Additional copies, if any, of packing lists, reports, and Canadian Customs or other invoices shall be furnished to Buyer in accordance with Buyer's written instructions.
- e. Shipment Routing Instructions: Seller will ship the Goods in accordance with the most current revision of Boeing Winnipeg document Doc-0106.
- f. Compliance to Shipment Routing Instructions: See requirements in (e) above.
- g. Documents: The shipping documents will describe the material according to the applicable classification and/or tariff. A shipment containing dangerous goods and non-dangerous goods must have separate packing sheets for the dangerous goods and non-dangerous goods. Shipments by Seller or its subcontractors must include packing sheets containing Buyer's contract or order number, line item number, description and quantity of Goods shipped, part number or size, if applicable, and appropriate evidence of inspections. The total number of shipping containers will be referenced on all shipping documents. Seller will mark each shipping container with the contract or order number.
- h. Dangerous Goods (Hazardous Materials): The Seller must package and ship the dangerous goods in accordance with the most current revision of D37522-3, "Dangerous Goods in Transportation".
- i. Country of Origin Marking: Notwithstanding language to the contrary in the applicable contract, the following provisions shall apply relating to Country of Origin marking.

Requirement: Every article of foreign origin imported into the United States shall be marked with the country of origin in accordance with U.S. Customs regulations 19CFR134. Since all Boeing imported parts are subject to delivery to the ultimate consumer, in addition to 19CFR134, Boeing requires marking of all foreign origin imported parts, on the innermost package and outer shipping container. Very limited exceptions are allowed in accordance with Customs regulations (see below). For any other exceptions, non-US suppliers must submit exception requests to the appropriate Boeing procurement agent prior to shipment, who will then forward to Global Trade Controls (GTC) Import for approval.

Rubber stamp and other surface marking methods, including inks, paints, and coatings, shall be used in accordance with U.S. Customs regulations 19CFR134. Intrusive methods are not authorized. Location and part mark method shall be consistent with drawing part mark requirements, if applicable.

The marking shall consist of the following, as applicable:

- 1) Country of Origin - The English language name of the country in which the imported article was manufactured.

- 2) The marking must be conspicuous, legible, and permanent.
- 3) The wording need only consist of the English language name of the country of origin such as FRANCE, CHINA, or JAPAN, unless there is also wording on the container, unit, etc. that makes reference to United States, U.S.A., and/or America. If such references are present, the country of origin marking must be a phrase such as "Made in China", "Assembled in France", "Product of Japan", placed in close proximity to the wording that makes reference to the U.S.A, and be in at least comparable size.
- 4) Abbreviations which unmistakably indicate the name of a country, such as "Gt. Britain" or "UK" for "Great Britain" are acceptable. Variant spellings which clearly indicate the English name of the country of origin, such as "Brasil" for "Brazil" and "Italie" for "Italy" are acceptable.

Exceptions: The following items are not required to be marked with the Country of Origin, but the Country of Origin shall be marked on the packaging/container which ordinarily reaches the ultimate purchaser (CFR 134.22):

- 1) Articles that are incapable of being marked, 19 CFR 134.32 (a):
- 2) Articles that cannot be marked without damage to the article, 19 CFR 134.32 (b)
- 3) Products of the United States, 19 CFR 134.32 (m)
- 4) Articles cited on the J-list, 19 CFR 134.33

Boeing requires that the provisions/requirements set forth above be included in Seller's direct supply contracts as well as the obligation that they be flowed to the sub-tier supply chain, when shipping to Boeing in the United States.

j. Pre-arrival Review System for Customs Pre-Clearance Purposes

- 1) Seller shall require the nominated freight forwarder to send a line release request through PARS (Pre-arrival Review System) on all shipments to Buyer's designated Customs broker to facilitate pre-clearance purposes in advance of the shipment arrival into Canada.
- 2) The Seller is required to support Pre-Alert requirements whether or not shipments are collect by Buyer's corporate approved freight forwarder, or prepaid by Seller's selected freight forwarder.

The documentation or information must be submitted at least two hours but not more than 30 days before arrival at the border.

k. Supply Chain Security: The Customs-Trade Partnership against Terrorism (C-TPAT) and Partners in Protection (PIP) programs are a government and industry partnership to strengthen domestic/international supply chain security for Canada/USA shipments coming into Canada and the United States (U.S.). As a member of the C-TPAT/PIP program, Boeing must ensure that C-TPAT/PIP supply chain security criteria is met for all import shipments from the point of origin to the Boeing point of destination for all shipments for which Boeing initiates the import.

This responsibility requires Boeing to ensure that all supply chain business partners meet C-TPAT/PIP security criteria in the packaging, handling, and transport of Boeing shipments. C-TPAT/PIP security requirements are included in all applicable agreements and contracts with The Boeing Company. All business partners are expected to fully comply with the C-TPAT/PIP security criteria in handling Boeing shipments as may be found in the Boeing C-TPAT/PIP Security Guidelines at:
http://www.boeingsuppliers.com/supplier_portal/BoeingC-TPATSecurityGuidelines_01-15-09.pdf.

At a minimum, Seller/Shipper shall ensure that adequate security controls and procedures are in place at facilities under its ownership or control that produce or ship materials to Boeing so as to provide for sufficient security of Boeing cargo per the referenced C-TPAT/PIP security criteria. Seller/Shipper shall have documented procedures for security of Boeing shipments during packaging, storage, and transport and ensure that any subcontracted business partners involved

in packaging, handling, or transporting Boeing cargo comply with Boeing's C-TPAT/PIP Security Guidelines.

- 1) Seller will complete and return to Boeing any Security Questionnaires requested by Boeing's Supply Chain Security organization within 30-days of receipt.
- 2) Seller will, within 30-days of Boeing's request, provide Boeing with a detailed mapping for planned routings and identify any subcontractors involved in the transport of Boeing shipments. If there are any long term changes to supply chain routings or routing subcontractors, Seller shall communicate such changes to Boeing within ten (10) business days of such change.
- 3) Seller and its subcontractors and agents shall be subject to periodic site assessments by Boeing during normal operating hours, to confirm compliance with C-TPAT Security Guidelines. Seller and its subcontractors and agents shall provide a corrective action plan within 30-days of Boeing's request.
- 4) Seller shall notify Boeing at DL-WPGCUSTOMSANDTRAFFIC@exchange.boeing.com of any actual or suspected breach of security involving Boeing's cargo in Seller or subcontractor's control within 24-hours of incident discovery. This shall include cargo theft, or tampering by unauthorized third parties with the cargo and/or manifests. When applicable, Seller and its subcontractors and agents will verify that their business partners and parties involved in export transactions are not listed as denied parties. Entities identified as denied parties on prohibited lists maintained by the Department of Commerce/Bureau of Industry and Security (BIS), Department of State/Directorate of Defense Trade Controls (DDTC), and Department of Treasury/Office of Foreign Assets Control (OFAC) must be reported immediately to The Boeing Company and within 24 hours of discovery.
- 5) In the event Boeing identifies new or increased threats or risks to the supply chain, Boeing may request additional security measures from the Seller to ensure the security of the supply chain.

7. GIFTS, GIFT FOODS, PROMOTIONAL ITEMS, UNSOLICITED ITEMS AND PERSONAL EFFECTS

Seller shall not include any gifts, gift foods, promotional items (e.g., pens, t-shirts, souvenirs, posters, magazines, recorded music and movies), unsolicited items or any other personal effects inside the packages or containers of any procured item. Only items properly procured on the purchase order shall be shipped to the Buyer. Un-manifested or un-invoiced items which are not properly documented may cause delays in customs clearance. Certain commodities may require additional customs, other government agency forms and filing requirements.

8. INVOICES AND PACKING SHEETS

- a. Canada Border Services Agency (CBSA) requires a commercial invoice for all imports into Canada. A commercial invoice is one prepared by the Seller or shipper of the goods and contains sufficient information for Canadian Customs to determine the value, tariff classification, and admissibility of an import shipment.
- b. A commercial invoice is normally a document accompanying the import shipment. In many instances, it is a copy of the same financial invoice being used by Buyer to pay the foreign seller. The invoice can be a commercial or invoice generated specifically for the purpose of declaring the import shipment to Canadian Customs, particularly in the case of non-purchased goods.
- c. Each commercial or invoice of imported merchandise shall set forth the following information:

Commercial Invoice Requirements

- 1) In English.
- 2) Provide the current purchase order and line item/line unit or contract number (P.O. XXXXXX) and line item/line unit, if applicable.
- 3) Location and names of Seller and/or shipper, Buyer, and date.

- (a) Date when the merchandise is sold or agreed to be sold.
 - (b) Merchandise shipment date (month, day, year). Provide the date that the merchandise was shipped from the Seller's factory or facility.
 - (c) Name and address of the Seller (company name and address) and/or name and address of the shipper, if the Seller is not the shipper.
 - (d) Name and contact information for an employee, employed by the Seller and/or Shipper, who has detailed knowledge of the sales transaction.
 - (e) Name and address of the Buyer (Boeing company name and site address) and name and phone number of prime point of contact at the Buyer's site (e.g., Buyer's Authorized Procurement Representative, spares distribution center focal).
 - (f) Name of consignee if not the Buyer (company receiving non-purchased transactions or drop ship destination).
- 4) Canadian port of entry. Record the port of entry at which the CBSA will clear the merchandise.
- 5) Quantities, weights, and measures.
- (a) Record the quantity of each part number in the shipment.
 - (b) If not separately noted on packing sheets, include on invoice:
 - i. Total quantity of parts being shipped.
 - ii. Net weight of each part number and gross weight of entire shipment.
 - iii. Unit of measure being used.
 - iv. Total number of boxes included on each packing sheet.
 - v. Net and gross weights and the length, width, and total square meters of material in textile shipments.
- 6) Detailed description of each item being shipped, to ensure proper classification of the product in accordance with the Harmonized Tariff Schedule (HTS), including:
- (a) Full name by which each item is known.
 - (b) Part number as appears on the contract or order. If the item is a raw material, state the grade, class, and dimensions of the material. Note: Generic descriptions, abbreviations, acronyms, and Stock Keeping Unit (SKU) numbers are not acceptable. Buyer may request additional descriptive information for items that do not have a Buyer part number and/or design. Seller will state the material class, grade, dimensions, and assembly components when a part is manufactured by Seller's own manufacturing drawings.
- 7) Country of Origin: Indicate the country of manufacture of each item.
- 8) Terms of Sale: Specify on the invoice the Incoterms as agreed to in accordance with the Buyer contract or work authorization.
- 9) "Related Party to The Boeing Company" status (Yes or No) on the invoice.
- 10) Commercial invoice number (Seller's option).
- 11) Page numbers (example: _____ of _____ pages).
- 12) The unit cost of each part and the total value of the entire shipment.
- (a) Reflect on the invoice the actual currency of the contract and the transaction of money between Buyer and Seller.
 - (b) List separately any Assists and/or additional costs in manufacturing each part. For example:
 - i. Assists. Any components, materials, dies, molds, and tools that are supplied by the Buyer free of charge or at a reduced cost to the Seller and used in the production of imported goods, including any Buyer-paid transportation costs associated with the assist. These transportation costs will be provided by the procurement focal responsible for this merchandise.

- ii. Engineering and design work. Work that is performed outside Canada by non-Canadian employees and is not included in the unit price of the merchandise being imported.
 - iii. Packing costs. Costs for packing that are incurred by the Buyer and have not been included in the unit cost.
 - iv. Nonrecurring charges. One time charges, incurred by the Buyer, for such items as expedite fees and transportation costs that have not been included in the unit cost.
 - v. Selling Commissions. Commissions incurred by Buyer that have not been included in the unit cost.
 - vi. Royalties. Fees the Buyer is required to pay as a condition of sale.
- (c) List all discounts that have been agreed to, or may be allowed, that apply to the purchase price or value but that have not been included in the unit price (terms of payment).
 - (d) Each repaired or modified item shall indicate both the unit value of the item as well as the repair value for that item. Repairs made free of charge must still indicate the value of the repair. An item that cannot be repaired and is replaced with a new item, indicate the fair market value of the new item.
 - (e) Itemize and describe rebates, drawbacks, or bounties that the Seller received as a result of exportation.

Packing Sheet/Slip (If Used by Seller)

Include packing sheet/slip number(s) on invoice.

9. INCOTERMS

Incoterms 2010, published by the International Chamber of Commerce, shall govern this contract to the extent this contract specifies terms covered by Incoterms 2010, provided that in the event of any conflict between this contract and Incoterms 2010, this contract shall govern.

10. IMPORTER SECURITY FILING FOR OCEAN SHIPMENTS

For shipments via ocean vessel where Buyer is the Importer of Record, the Ocean Container Clause set forth in the following link shall apply and is incorporated herein by this reference:

http://www.boeingsuppliers.com/supplier_portal/OceanContainerClause.pdf

In the event that CBSA assesses Buyer with liquidated damages, fines or penalties either for failure to file the Importer Security Filing (ISF) data, or for late or inaccurate filing of the ISF data, Seller shall assist Buyer with investigating and resolving the situation. Such assistance shall include but is not limited to (i) upon Buyer's reasonable request, providing Buyer with relevant documentation and making Seller personnel available to answer questions, and (ii) taking such corrective action as is necessary to minimize the risk of additional damages, fines or penalties.

11. MANDATORY FLOW DOWNS

Seller shall flow down to each subtier supplier, provisions 1, 3, 4, 5, 6, 9 and 11 of these International Provisions (SP3).