



WORLDWIDE FLEET MANAGEMENT

EMPLOYEE HANDBOOK APPENDIX A


CODE OF BUSINESS CONDUCT AND ETHICS

EAGLE COPTERS LTD.

823 McTavish Road NE


Calgary, Alberta

T2E 7G9

	EAGLE COPTERS EMPLOYEE HANDBOOK	ECM Ref:		Originator:	ECL
	APPENDIX A	Issue Date:	January 10, 2018	Revised by:	
	CODE OF BUSINESS CONDUCT AND ETHICS	Revision:	1.0	Authorized by:	

1.0 TABLE OF CONTENTS

<u>PART</u>	<u>TITLE</u>	<u>PAGE</u>
1.0	Table Of Contents.....	2
2.0	Code Of Business Conduct Policy.....	3
3.0	Conflicts of Interest.....	6
4.0	Secrecy and Confidentiality.....	7
5.0	Bribery and Corruption.....	9
6.0	Gift and Benefit Rules.....	13
7.0	Third Party Intermediaries.....	14
8.0	Export and Sales Controls.....	15
9.0	Code of Business Conduct (CBC) Training.....	16
10.0	CBC Review.....	17

	EAGLE COPTERS EMPLOYEE HANDBOOK	ECM Ref:		Originator:	ECL
	APPENDIX A	Issue Date:	January 10, 2018	Revised by:	
	CODE OF BUSINESS CONDUCT AND ETHICS	Revision:	1.0	Authorized by:	

2.0 CODE OF BUSINESS CONDUCT POLICY

2.1 STATEMENT OF POLICY

Eagle Copters Ltd. and its affiliates and subsidiaries (herein after referred to as “Eagle Copters”) is committed to observing the highest ethical principles and business standards. Upholding this commitment is essential to our continued success. This Code of Business Conduct and Ethics (CBC) applies to all of our business undertakings and transactions and to all of our employees, contractors, agents and representatives.


The Board of Directors of Eagle Copters has approved this Code of Business Conduct. An Ethics Officer chosen by the Board and the President will be responsible for the implementation and observance of this CBC.

Eagle Copters will adhere to both its legal requirements and the ethical principles and standards contained in this Code of Business Conduct. This CBC will guide our actions in everything that we do at Eagle Copters. To ensure that we adhere to the requirements of this CBC we have incorporated it in all of our key business processes. This CBC includes a strict prohibition against corruption and bribery.

This Statement of Policy will be reviewed with you when you are hired, and on an annual basis thereafter. You will also be asked to acknowledge that you have read and understand your requirements and responsibilities under the CBC. You are responsible for seeking clarifications if you do not understand any aspect of the CBC. Not following the CBC is a serious disciplinary infraction and willfully disregarding the CBC may result in dismissal, subject to the “Company Discipline Policy” contained in our Employee Handbook. This Statement of Policy and any applicable portions of the CBC will be reviewed and acknowledged by contractors, agents, representatives and any other person or entity acting on behalf of Eagle Copters.

We require you to follow this Code of Business Conduct in all of your business activities and whenever you are representing Eagle Copters in any capacity. We require you to report any breaches or suspected breaches of this CBC to the Ethics Officer or the President. We will work together to incorporate this CBC in all our undertakings at Eagle Copters. Ultimately, our most valuable asset is our reputation.


Thank you for your support in upholding our Code of Business Conduct and Ethics.



 President and CEO

10 Jan 2018

 Date

	EAGLE COPTERS EMPLOYEE HANDBOOK	ECM Ref:		Originator:	ECL
	APPENDIX A	Issue Date:	January 10, 2018	Revised by:	
	CODE OF BUSINESS CONDUCT AND ETHICS	Revision:	1.0	Authorized by:	

2.2 ETHICS OFFICER

The Eagle Copter's Ethics Officer is appointed by the Board of Directors, and reports to the Board in matters concerning this CBC Policy and program. The Ethics Officer will:

- Implement the CBC policy and program
- Inform the Board and President immediately of any serious breach of the CBC
- Receive training appropriate to his or her responsibilities under the CBC
- Verify that CBC employee training is effective
- Confer with the President on all CBC matters
- Submit an annual written report to the Board on the CBC related items which have been dealt with in the preceding year
- Submit an annual written evaluation of the CBC to the Board that measures its effectiveness, including training and legislative compliance
- Inform the Board and President in a timely manner of changes or proposed changes in legislation affecting the CBC
- Have their performance reviewed annually to the Board
- Follow the Board's instructions and recommendations as it concerns the CBC

The Ethics Officer is the primary point of contact for employees, and any others subject to the CBC, who have questions or wish to raise an issue.

The Ethics Officer will maintain and ensure confidentiality for all CBC related issues brought to his or her attention, unless prevented from doing so by this program or by law. Any disclosures of personal information related to this CBC will only be to the minimum extent required by the program and by law.


2.3 LEGAL COMPLIANCE

Eagle Copters will follow all applicable Canadian legislation with respect to its business practices. For clarity with respect to this CBC, Eagle Copters will adhere to the requirements of:

- *The Corruption of Foreign Public Officials Act (CFPOA)*
- *The Canadian Criminal Code*
- *The Canadian Income Tax Act*
- *The Anti-Terrorism Act*
- *The Proceeds of Crime (Money Laundering) and Terrorist Financing Act*
- *The Export and Imports Permits Act*
- *The Federal Privacy Act*
- *The Canadian Security of Information Act*

Eagle Copters may be subject to U.S. legislation through the nationality of its employees or its activities, subsidiaries and joint ventures. Eagle Copters will adhere to the requirements of all applicable U.S. legislation. Eagle Copters has chosen to observe both the intent and, where applicable, the requirements of the following US legislation:

- *Foreign Corrupt Practices Act*

	EAGLE COPTERS EMPLOYEE HANDBOOK	ECM Ref:		Originator:	ECL
	APPENDIX A	Issue Date:	January 10, 2018	Revised by:	
	CODE OF BUSINESS CONDUCT AND ETHICS	Revision:	1.0	Authorized by:	

- *The International Traffic in Arms Regulations*
- *The Export Administration Regulations*


2.4 BREACHES OR SUSPECTED BREACHES OF THE CBC

If you are involved with, observe, or suspect a breach of the principles or intent of this CBC, you must cease, or advise those involved to cease, all activity related to the breach and immediately consult with the Eagle Copters Ethics Officer or President.

This immediate notification requirement applies to you even if the breach that comes to your attention involves others, including your superiors. A suspension of activities directly related to a suspected or anticipated breach of the CBC is required regardless of the business circumstances.

With respect to your complaint, we will:

- Investigate and inform you of the results of the investigation.
- Maintain your confidentiality, unless prevented from doing so under this program or by law.
- Fully support your actions if you have been acting in good faith.

	EAGLE COPTERS EMPLOYEE HANDBOOK	ECM Ref:		Originator:	ECL
	APPENDIX A	Issue Date:	January 10, 2018	Revised by:	
	CODE OF BUSINESS CONDUCT AND ETHICS	Revision:	1.0	Authorized by:	

3.0 CONFLICTS OF INTEREST

3.1 CONFLICTS OF INTEREST – DEFINITION AND DESCRIPTION

Conflicts of interest arise when you are carrying out Eagle Copters' business and it includes or involves the following persons or entities in any manner:

- Friends and family members
- Individuals, companies or organizations that you have, or have had, a formal or informal relationship with
- Individuals, companies or organizations who offer, or who bestow, a monetary or non-monetary benefit to you individually as a consequence of your activities on behalf of Eagle Copters
- Individuals, companies or organizations whose reputation, activities or legal status might embarrass, compromise or be illegal for Eagle Copters to be associated with

A conflict of interest also occurs when, as a consequence of your actions on behalf of Eagle Copters, a benefit is conferred, or could reasonably be expected to be conferred, on a friend, family member or a company or organization that you are, or have been, involved with, whether with their knowledge or not.


3.2 NOTIFICATIONS OF CONFLICT OF INTEREST

Conflicts of interest that seem to be of little consequence initially may become material over time through changed circumstances, new information, or unforeseen situations.

As soon as you become aware of a potential or existing conflict of interest, involving yourself or others, you must declare it to the Ethics Officer or the President.

The Ethics Officer will investigate the conflict or potential conflict that you bring to their attention and will maintain confidentiality, where allowed under this program and prevailing laws. The Ethics Officer will establish a legal course of action that avoids any impropriety or appearance of impropriety.

The relationships that we have are important to our business and this policy is not intended to discourage these relationships. This policy is only breached when conflicts or potential conflicts are not known or declared. Declaring a conflict of interest, when it becomes apparent, prior to planning or engaging in the activity that gives rise to the conflict, is not a breach of this CBC and is both required and encouraged.

	EAGLE COPTERS EMPLOYEE HANDBOOK	ECM Ref:		Originator:	ECL
	APPENDIX A	Issue Date:	January 10, 2018	Revised by:	
	CODE OF BUSINESS CONDUCT AND ETHICS	Revision:	1.0	Authorized by:	

4.0 SECRECY AND CONFIDENTIALITY

4.1 SCOPE

In conducting its business Eagle Copters has formal and informal relationships with individuals, employees, shareholders, directors, suppliers, contractors, customers, companies, organizations and governments (hereinafter referred to as “Stakeholders”). All of these Stakeholders have an expectation of confidentiality and privacy in their dealings with Eagle Copters. Eagle Copters may be subject to legal requirements to maintain secrecy and confidentiality. You have the same confidentiality requirements with respect to Eagle Copters as you do for any other Stakeholder.

In the course of your employment or activities with Eagle Copters, you may be given information or become aware of information concerning Eagle Copters or our Stakeholders that is:

- Personal and subject to the *Privacy Act*
- Business confidential
- Secret under the *Security of Information Act*
- Subject to the *Anti-terrorism Act*
- Subject to *Securities and Exchange Commissions* securities laws (insider trading)

4.2 CONFIDENTIALITY AGREEMENT

You will be asked to sign a Confidentiality Agreement as part of your employment or activities with Eagle Copters. This agreement will be strictly enforced for the maximum term prescribed by law. The Confidentiality Agreement clearly identifies your requirements with respect to disclosing any secret, personal or confidential information that you might encounter or be privy to at Eagle Copters. This agreement will be reviewed with you.

When you execute the Confidentiality Agreement by signing it, you acknowledge that you understand your obligations under the agreement and agree to abide by them. Eagle Copters may seek legal and civil remedies against those who breach Confidentiality Agreements.


4.3 CONFIDENTIAL AND SECRET INFORMATION

4.3.1 Confidential and Secret Information

Confidential Information includes any information that you become aware of about Eagle Copters or its Stakeholders that is not commonly known and publicly available.

Confidential Information may include:

- Plans, drawings, schematics, flow diagrams
- Information technology, software and electronic files of any type
- Intellectual property and know how
- Manufacturing, repair or maintenance methods or processes
- Equipment or process performance, efficiency and operating cost information
- Financial information of any type

	EAGLE COPTERS EMPLOYEE HANDBOOK	ECM Ref:		Originator:	ECL
	APPENDIX A	Issue Date:	January 10, 2018	Revised by:	
	CODE OF BUSINESS CONDUCT AND ETHICS	Revision:	1.0	Authorized by:	

- Business plans or projections of any type
- Contracts, purchase orders, tenders, bids and related information
- Travel plans
- Staffing levels and projections
- Personal or private information about any individuals

The *Privacy Act* defines personal information as information about an identifiable individual that is recorded in any form. Personal information must be protected in accordance with the *Privacy Act* and is treated as confidential information at Eagle Copters.

The terms, Secret and Confidential, may be encountered together or by themselves. You may see these terms used in a similar manner.

Secret Information is confidential information that is the property of, and valuable to, Eagle Copters or our Stakeholders and whose unapproved disclosure may cause harm to Eagle Copters or any other party. Eagle Copters may be bound to protect the release of Secret Information by law, contract, agreement or understanding. Specific measures may be required to protect Secret Information from being disclosed to other named or unnamed parties. Secret Information may also refer to information that is subject to the *Security of Information Act*.


4.3.2 Military and Dual-Use Information

Eagle Copters conducts business in the aerospace sector and supplies equipment, systems, knowledge and know-how that may have military applications or dual civil-military use. Accidental or intentional disclosure of confidential military, or dual use, information may constitute a national security or anti-terrorism breach and be subject to the *Security of Information Act* or the *Anti-terrorism Act*. Disclosure of military and dual-use information is prohibited under this CBC and may lead to your prosecution under prevailing legislation.

4.4 REPORTING A BREACH OF THIS POLICY

If you have any questions about this policy, your requirements, or have knowledge of a breach of this policy, you must immediately contact the Ethics Officer or the President.

You must not disclose any confidential information if you are contacted in any unauthorized manner, by any person or entity seeking any information about your co-workers, your work, your activities, or the work or activities of Eagle Copters or any of our Stakeholders. You must immediately report any communication of this nature to the Ethics Officer or President.

	EAGLE COPTERS EMPLOYEE HANDBOOK	ECM Ref:		Originator:	ECL
	APPENDIX A	Issue Date:	January 10, 2018	Revised by:	
	CODE OF BUSINESS CONDUCT AND ETHICS	Revision:	1.0	Authorized by:	

5.0. BRIBERY AND CORRUPTION

5.1 DEFINITIONS AND GENERAL CONSIDERATION

“Corruption” can generally be considered to occur when:

- A party is offering an illegal payment or any other undue advantage to a counter party in exchange for favourable treatment.
- A party is soliciting or accepting an illegal payment or other undue advantage from a counter party in exchange for favourable treatment.
- There is a breach of common interests by individuals for personal gain, at the expense of the communal interest that the offender has been entrusted with (i.e. an employee or agent of Eagle Copters partakes in any activity that benefits him or her at the expense of Eagle Copters).

An “undue advantage” is a broad term for any illegal advantage offered or received for favourable treatment and is not only restricted to monetary considerations. An “undue advantage” can include:


- Favours granted to individuals, their friends or family members
- Access to company or government officials provided to individuals
- Gifts
- Donations to organizations that individuals are associated with
- Promoting an individual or business
- Equity or other rights in companies or ventures
- Expenses which benefit individuals, their friends or family
- Transactions structured to benefit individuals

Other considerations in establishing “corruption”:

- “Bribery” and corruption are often used together with similar meanings. Corruption can be considered to be broader in scope.
- “Public corruption” involves a public official as one party to the corrupt act. International legislation tends to focus on public corruption.
- The particular legislation that applies to corruption may only deal with one aspect of corruption, such as offering a bribe versus taking one.
- “Facilitating payments” used to facilitate or expedite performance of routine, non-discretionary governmental actions may not be illegal in certain foreign states and under current Canadian or U.S. legislation. These payments violate the intent of our CBC and Eagle Copters does not permit you to make these payments.

If you are unsure of whether the actions or intentions of yourself or others may constitute corruption or bribery, you must cease the activities giving rise to your concern, caution those who may be involved in corrupt practices and immediately inform the Ethics Officer or the President.

You must report any knowledge or suspicion of bribery and corruption that you are involved with or become aware of to the Ethics Officer or the President.

	EAGLE COPTERS EMPLOYEE HANDBOOK	ECM Ref:		Originator:	ECL
	APPENDIX A	Issue Date:	January 10, 2018	Revised by:	
	CODE OF BUSINESS CONDUCT AND ETHICS	Revision:	1.0	Authorized by:	

5.2 CRIMINAL CODE OF CANADA

5.2.1 Bribery of Public Officials

Bribery of domestic officials in public office and accepting bribes from public officials is illegal. Bribery generally follows the description of “corruption” in 3.1 but does so by specifying the individual actions that are illegal under the Criminal Code.

When dealing with domestic public officials, as an employee or representative of Eagle Copters, you must not offer any inducement in order to influence their behaviour in office and incline them to act contrary to the known rules of honesty and integrity. Similarly, you must not accept any inducement for an illegal or corrupt purpose from a public official.

You must not accept or give bribes to domestic public officials. You must report any knowledge of bribery and corruption of a public official that you are involved with or become aware of to the Ethics Officer or the President.

5.2.2 Domestic Private Corruption

Secret Commissions

It is illegal for an agent (including employees) to receive a secret commission such as an award, advantage or benefit of any kind as consideration for committing any act related to the affairs of the agent’s principal (the employer).

It is also illegal to secretly offer an inducement as described above to an agent for such an advantage.

The main consideration is secrecy; there must be disclosure of the source, amount and nature of the benefit that is being conferred.


You must not give or accept secret commissions. You must report any knowledge of secret commissions, offered by or given to agents of Eagle Copters, that you are involved with or become aware of, to the Ethics Officer or the President.

5.2.3 Foreign Private Corruption

Foreign countries may have different legal standards and rules for private corruption than does Canada. As a minimum, Eagle Copter employees and representatives will observe the laws of the countries in which they are operating.

Eagle Copters has also adopted the following guideline concerning private corruption in foreign countries.

Eagle Copters’ employees and representatives will follow the same bribery and anti-corruption rules and guidelines contained in this CBC, when engaging in business in foreign countries, as they are required to follow domestically.

	EAGLE COPTERS EMPLOYEE HANDBOOK	ECM Ref:		Originator:	ECL
	APPENDIX A	Issue Date:	January 10, 2018	Revised by:	
	CODE OF BUSINESS CONDUCT AND ETHICS	Revision:	1.0	Authorized by:	

The Ethics Officer in consultation with the President may make exceptions to this rule. Exceptions will be documented, including their rationale and will form part of the annual CBC report to the Board.

5.3 CORRUPTION AND FOREIGN OFFICIALS

5.3.1 Canadian *Corruption of Foreign Public Officials Act*

Bribing foreign officials is illegal under the Corruption of Foreign Public Officials Act (CFPOA). Bribery generally has the definition applied to “corruption” in this CBC.

A “foreign official” is defined as:

- An individual holding a legislative, administrative or judicial position in a foreign state
- An individual who performs public duties or functions for a foreign state
- An official of a public international organization

Failure to record, or falsifying the books and records such that corrupt transactions are hidden, is illegal.

You must not give bribes to foreign public officials.

You must report any knowledge of bribery and corruption of a foreign public official that you are involved with or become aware of to the Ethics Officer or the President.

If you become aware of any non-reporting or fraudulent reporting in Eagle Copters’ books and records that may be related to bribery of foreign officials, you must report it to the Ethics Officer or the President.


5.3.2 U.S. Foreign Corrupt Practices Act

5.3.2.1 Application

The U.S. Foreign Corrupt Practices Act (FCPA) applies to U.S. individuals and corporations and can apply to conduct both inside and outside the United States. Eagle Copters will comply with all of its legal requirements under the FCPA for its operations inside the U.S., and for any of its activities that are otherwise subject to the FCPA. Eagle Copters will also follow the intent and general provisions of the FCPA regarding corruption. We do so because the U.S. FCPA and Canadian foreign corruption legislation contains similar provisions and Eagle Copters has extensive U.S. business inter-relationships (including parent subsidiary relationships).

5.3.2.2 Scope of the FCPA

The FCPA prohibits offering to pay, paying, promising to pay, or authorizing the payment of money or anything of value to a foreign official in order to influence any act or decision of the foreign official in his or her official capacity or to secure any other improper advantage in order to obtain or retain business.

	EAGLE COPTERS EMPLOYEE HANDBOOK	ECM Ref:		Originator:	ECL
	APPENDIX A	Issue Date:	January 10, 2018	Revised by:	
	CODE OF BUSINESS CONDUCT AND ETHICS	Revision:	1.0	Authorized by:	

These payments include payments made to third parties when you know, or ought to have known, that the payments were intended in whole or in part for a foreign official. The actions taken must be made corruptly to wrongfully influence the recipient and apply whether or not the inducement is taken, received or is successful.

5.3.2.3 Actions Taken to Obtain or Retain Business


Actions that a foreign official might take to obtain or retain business on your behalf might include:

- Extending or awarding contracts
- Influencing the procurement process
- Circumventing import rules
- Gaining access to non-public bid tender information
- Evading taxes or penalties
- Influencing lawsuits or enforcement actions
- Obtaining exceptions to regulations

5.3.2.4 Definition of Foreign Official

Under the FCPA, foreign officials include:

- An employee or officer of any government, or government department or agency
- An employee or officer of a public international organization
- Any person acting in an official capacity of a government or international organization
- Political parties and political party officials
- Candidates for political office

	EAGLE COPTERS EMPLOYEE HANDBOOK	ECM Ref:		Originator:	ECL
	APPENDIX A	Issue Date:	January 10, 2018	Revised by:	
	CODE OF BUSINESS CONDUCT AND ETHICS	Revision:	1.0	Authorized by:	

6.0 GIFT AND BENEFIT RULES

6.1 SCOPE

Gifts include hospitality and any other benefit conferred upon an Eagle Copters employee or representative.

6.2 ALLOWABLE GIFTS

You may accept the following gifts and benefits:

- Gifts worth less than \$100 individually or in aggregate from a single individual or organization per year unless otherwise authorized by the Ethics Officer
- Gifts in excess of \$100 that are presented to Eagle Copters and are not exclusively for your private use or enjoyment
- Gifts that are promotional in nature and include a logo or other identifiable emblem of the organization
- Hospitality including reasonable travel, meal and accommodation expenses, which serve a legitimate business purpose, such as furthering or developing a business relationship, inspecting a vendor's facility, attending a business related presentation or a sponsored industry gathering
- Gifts offered in excess of \$100 by an organization or individual with whom Eagle Copters has a business relationship and in a context where refusing the gift would be seen as an insult under the particular circumstances

You may provide gifts as described above, if approved and there is a legitimate business reason to do so.


6.3 PROHIBITED GIFTS

You must not accept the following gifts or benefits:

- Cash
- Any gift that appears unreasonable or inappropriate
- Any gift that would harm Eagle Copters' reputation in any way
- Any gift that a reasonable person would find inappropriate
- Any payment, bonus, honorarium or fee made to you individually by an individual or organization related to your work as an employee of Eagle Copters
- Gifts meant to influence your expected behavior and treatment of other individuals and organizations

Any exceptions made to this policy by the Ethics Officer must be included in the annual report to the Board.

You must not accept any prohibited gifts. If you receive or are offered a gift and do not know if it complies with the gift and benefit policy, or are seeking an exception, you must first consult with the Ethics Officer or the President.

	EAGLE COPTERS EMPLOYEE HANDBOOK	ECM Ref:		Originator:	ECL
	APPENDIX A	Issue Date:	January 10, 2018	Revised by:	
	CODE OF BUSINESS CONDUCT AND ETHICS	Revision:	1.0	Authorized by:	

7.0 THIRD PARTY INTERMEDIARIES

7.1 DEFINITION

Third party intermediaries (TPIs), in the context of this CBC, are individuals or organizations who provide a service by assisting Eagle Copters in transacting or attempting to transact business with a counter party. TPIs are generally in a non-exclusive arrangement with Eagle Copters and are acting or proposing to act between Eagle Copters and a counter party.

Third Party Intermediaries may include:

- Agents or representatives of Eagle Copters, domestically and abroad
- Foreign nationals who provide advice on local conditions or introductions
- A broker used to purchase financial, commodity or energy products
- Consultants or experts retained to assist or support a position or representation made by Eagle Copters

7.2 ESTABLISHING THE RISK PROFILE OF TPIs

TPIs carry a higher business risk to Eagle Copters than organizations whose credentials can be readily verified. The risks to Eagle Copters of using TPIs include:


- Inaccurate or fraudulent TPI credentials and qualifications
- Disclosure of confidential information and secrecy by TPIs
- TPIs who are acting surreptitiously for government officials
- Lack of control, TPIs overstepping their authority, TPIs misrepresenting Eagle Copters
- Unethical or disreputable behaviour by TPIs
- Illegal activities by TPIs

TPIs may serve a useful function and be respected for their abilities however they carry a higher risk profile and are treated accordingly.

7.3 TPI SERVICE AGREEMENTS

Eagle Copters does not normally employ TPIs. You must inform the Director of Materials Management if you are considering the use of a TPI to represent Eagle Copters in any manner. Eagle Copters is aware of the risks of employing TPIs and will exercise due diligence when doing so. Eagle Copters will use a special purpose purchase order (P.O.) for service agreements with each TPI. The TPI service agreement will include the due diligence requirements to be met and a risk assessment. The President must approve TPI service agreements.

You must not engage or re-engage a third party intermediary without an approved services agreement issued by the Director of Materials Management that is approved by the President.

	EAGLE COPTERS EMPLOYEE HANDBOOK	ECM Ref:		Originator:	ECL
	APPENDIX A	Issue Date:	January 10, 2018	Revised by:	
	CODE OF BUSINESS CONDUCT AND ETHICS	Revision:	1.0	Authorized by:	

8.0 EXPORT AND SALES CONTROLS

8.1 CONTEXT

Eagle Copters is in the aerospace business and leases, sells, repairs, maintains and modifies aircraft, aircraft equipment, aircraft parts, avionics and related systems. The equipment, parts, services, systems and knowledge that Eagle Copters sells may have military or dual use military–civil applications. These products and services may be subject to export controls under the Canadian *Controlled Goods Program* (CGP). There are also obligations that exporting Canadian companies may be required to meet under the U.S. *International Traffic in Arms Regulation* (ITAR), the U.S. *Export Administration Regulations* (EAR) or under the U.S. *Office of Foreign Assets Control* (OFAC).

Eagle Copters has established sales and export procedures that include “Controlled Goods Procedures” that are designed to ensure that Eagle Copters follows the requirements of all applicable export controls legislation. The President of Eagle Copters is responsible for implementing the Eagle Copters Controlled Goods Procedures and authorizing the sale, export or re-export of controlled goods through the Eagle Copters sales order system.

You may not make any arrangements to sell, export or re-export any item from Eagle Copters without a valid sales order authorized by the President or delegate of the President of Eagle Copters.

8.2 EXPORT CONTROLS


8.2.1 Canada

Canada’s *Export and Import Permits Act* authorizes the Minister of Foreign Affairs to issue to any resident of Canada a permit to export items included on the Export Control List or to a country included on the Area Control List, subject to certain terms and conditions under the *Controlled Goods Program*.

The Canadian *Anti-terrorism Act* (ATA) defines a “terrorist group” as an entity that has as one of its purposes or activities the facilitating or carrying out of terrorist activity or that is an entity set out in a list established by regulation. Knowingly facilitating a terrorist group is an offence under the Act.

8.2.2 U.S. Export Controls

U.S. Export Controls are divided into three systems: the *International Traffic in Arms Regulations* (ITAR) regulates the export of defence items, the *Export Administration Regulations* (EAR) regulates the export and the re-export of commercial, dual-use (civilian-military) items, and the Office of Foreign Assets Control (OFAC) regulates economic sanctions. There are obligations that exporting Canadian companies must meet under these regulations.

	EAGLE COPTERS EMPLOYEE HANDBOOK	ECM Ref:		Originator:	ECL
	APPENDIX A	Issue Date:	January 10, 2018	Revised by:	
	CODE OF BUSINESS CONDUCT AND ETHICS	Revision:	1.0	Authorized by:	

8.2.3 Customer and Sales Order Approvals

Eagle Copters has established a Customer and Sales Order Approval process (CSOA) to approve customers prior to conducting business with them. The CSOA evaluates customers and prospective customers according to their business, legal and ethical risk profile. This evaluation process includes taking reasonable steps to determine if a prospective customer is a foreign national, foreign company, terrorist organization or domestic agent of a foreign country or organization that Eagle Copters is proscribed from conducting business with under prevailing legislation. The President or delegate of the President of Eagle Copters evaluates and issues customer approvals in consultation with the Ethics Officer.

You may not initiate or conduct any business with any person or organization that does not have a valid Eagle Copter issued customer number.


9.0 CODE OF BUSINESS CONDUCT (CBC) TRAINING

9.1 TIMING

CBC training will be provided to newly hired, specified or transferred employees before they begin their new duties. Annual refresher training will be provided to all affected employees.

9.2 SCOPE

- All employees will receive awareness level training on sections 1.0 to 5.0 of this CBC
- Supervisors will receive training on sections 1.0 to 5.0 of this CBC
- All procurement, marketing, and contract employees will receive training on sections 5.0 through 8.0
- All managers will receive training on all sections of this CBC delivered by a person designated by the President
- Specified contractors and consultants will receive awareness level training on the sections of the CBC that apply to them and will be contractually bound to the applicable sections of this CBC through their P.O. or services agreement
- Sales agents and third party intermediaries will be contractually bound to this CBC through their P.O. or services agreement

	EAGLE COPTERS EMPLOYEE HANDBOOK	ECM Ref:		Originator:	ECL
	APPENDIX A	Issue Date:	03-10-2017	Revised by:	
	TRAINING AND ACKNOWLEDGEMENT FORM	Revision:	2.0	Authorized by:	

10.0 CBC REVIEW

The Ethics Officer will prepare a written annual review of the CBC and present it to the President and Board of Directors.

The annual review for the previous 12 months will include:

- Employee numbers trained and re-trained
- Exceptions made to any elements of the CBC and the rationale and approvals obtained for the exception
- Agents and TPIs retained with a service agreement including the CBC in-place
- All reports of CBC transgressions and their disposition
- A qualitative appraisal of the effectiveness of the program
- Upcoming legislation and trends that may affect the CBC
- Recommendations for improvement
- Review of the previous action plan
- CBC action plan for the following 12 months

Upon a satisfactory review the Board of Directors will approve the CBC and issue any recommendations to be incorporated in the action plan