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November 6, 2017

Case Nos. A-122-859
C-122-860

Total Pages: 112
Investigations
AD/CVD Offices II and IV

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Bombardier Business Proprietary
Information Removed From Page 3
and Exhibits B and D.

VIA ACCESS

The Honorable Wilbur L. Ross, Jr.
U.S. Department of Commerce
International Trade Administration
Enforcement & Compliance
Central Records Unit, Room 18022
APO/Dockets Unit, Room 1870
1401 Constitution Ave., N.W.
Washington, D.C. 20230

**Re: Antidumping and Countervailing Investigations of 100- to 150-Seat Large
Civil Aircraft from Canada: Evidence on the Proposed Transaction**

Dear Mr. Secretary:

On behalf of Bombardier Inc., the designated mandatory respondent, and C Series Aircraft Limited Partnership (“CSALP”), the manufacturer of the aircraft that are the subject of the above-referenced antidumping investigation (collectively “Bombardier”), we hereby submit the following evidence in response to the November 1, 2017 memorandum concerning a

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transaction between Bombardier and Airbus SE (“Airbus”) (“*11/01 Memorandum*”).¹ The Department of Commerce’s (“the Department”) memorandum provides that parties may provide rebuttal information pursuant to 19 CFR 351.301(c)(4) no later than November 6, 2017. This submission is therefore timely filed. Bombardier makes this submission to comply with the Department’s instructions in *11/01 Memorandum* and without prejudice to Bombardier’s opportunity at a later date to challenge the appropriateness of the Department placing the *11/01 Memorandum* on the record.

On October 16, 2017, Bombardier entered into a definitive investment agreement with Airbus regarding the acquisition by Airbus of a majority stake in CSALP. Under the agreement, a 50.01 percent interest in CSALP would be acquired by Airbus, whereas Bombardier and Investissement Québec would retain approximately 31 percent and 19 percent respectively. A more detailed description of the acquisition can be found in Form 51-102F3, “Material Change Report,” at Exhibit A, and in the Bombardier-Airbus investment agreement, at Exhibit B. As discussed in Exhibits A and B and in the attachment to the *11/01 Memorandum*, consummation of the agreement remains subject to regulatory approvals, as well as other customary closing conditions.

The partnership with Airbus, if approved by the relevant regulatory authorities, would enhance current C Series operations and it would increase the C Series global footprint through investment in the United States, including through new job creation and direct investment.²

¹ Memorandum From Howard Smith, Program Manager, AD/CVD Operations, Office IV, Enforcement and Compliance, Through Abdelali Elouaradia, Director, AD/CVD Operations, Office IV, Enforcement and Compliance, To All Interested Parties; *Antidumping and Countervailing Duty Investigations of 100-to 150-Seat Large Civil Aircraft from Canada: Opportunity to Comment on Proposed Transaction* (November 1, 2017).

² *Id.*, Attachment 1, at 1-2.

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Thus, in addition to the over 22,700 U.S. jobs that the C Series program would support at full capacity,³ current Bombardier estimates predict that the agreement with Airbus, if approved, would create over 2,000 permanent jobs in the United States as well as approximately 6,000 person year jobs related to establishing the necessary C Series facilities in the United States.⁴

The breakdown of 1,950 to 2,450 permanent jobs is as follows: 400 to 500 direct jobs, 550 to 700 indirect jobs, and 1,000 to 1,250 induced jobs.⁵ The breakdown of approximately 6,000 person year jobs related to establishing the C Series facilities in the United States is 1,900 direct jobs, 1,000 indirect jobs, and 3,000 induced jobs.⁶ According to estimates by Bombardier, the creation of these facilities would contribute over \$300 million of foreign direct investment into the United States.⁷ [

] ⁸ Additional details

³ See Letter To The Honorable Wilbur Ross, U.S. Department Of Commerce, The Honorable Rhonda K. Schmidlein, U.S. International Trade Commission, The Honorable Gary Cohn, National Economic Council, The Honorable Robert. E. Lighthizer, From Mr. Jim Justice, Governor of West Virginia (August 24, 2017), Exhibit C at 1-2; *see also* Affidavit of Bombardier Official, Exhibit D.

⁴ See Affidavit of Bombardier Official, Exhibit D.

⁵ The estimates of direct jobs are based on Bombardier estimates assuming current understanding of final assembly line scope. The estimates of indirect jobs are based on an indirect to direct employment ratio for aerospace of 1.4. (Source: AIA, Aerospace & Defense Economic Impact Analysis 2016 provided by HIS Economics). The estimates of induced jobs are based on an induced to direct and indirect jobs ratio of 1.06. (Source: Economic Policy Institute). Figures have been rounded. *Id.*

⁶ These estimates are based on a construction cost of \$300 million using Bombardier experience of similar executed and planned construction projects. The direct job impact is based on ratio of 6.29 jobs per \$1 million of construction spent. (Source: Employment requirement tables for 2016 (REAL EMPREQ) published by the US Bureau of Labor). The indirect job impact is based on ratio of 3.25 jobs for \$1 million of construction spent. (Employment requirement tables for 2016 (REAL EMPREQ) published by the US Bureau of Labor; difference between total direct and indirect employment and direct employment). Induced jobs are based on an induced to direct and indirect jobs ratio of 1.06. (Source: Economic Policy Institute). These jobs are in person years and are expected to be spread over approximately two years. Figures have been rounded. *Id.*

⁷ See *Id.*

⁸ See Affidavit of Bombardier Official, Exhibit D.

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pertaining to the acquisition are presented in, “C Series: A Winning Partnership,” dated October 17, 2017, available at Exhibit E.

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Request for Proprietary Treatment: Bombardier requests that bracketed information herein be treated as business proprietary information pursuant to 19 C.F.R. §§ 351.304(a)(1)(i), 351.105(c) and 351.303, as the disclosure of bracketed information would cause substantial commercial and competitive harm to Bombardier. Business proprietary information of Bombardier has been deleted from the public version of this submission. Business proprietary information has been marked for one or more of the following reasons, in accordance with 19 C.F.R. § 351.105(c):

1. Business or trade secrets concerning the nature of a product or production process.
2. Production costs (but not the identity of the production components unless a particular component is a trade secret);
3. Distribution costs (but not channels of distribution);
4. Terms of sale (but not terms offered to the public);
5. Prices of individual sales, likely sales, or other offers (but not components of prices, such as transportation, if based on published schedules, dates of sale, product descriptions (other than business or trade secrets described in paragraph (c)(1) of this section), or order numbers);
6. Names of particular customers, distributors, or suppliers (but not destination of sales or designation of type of customer, distributor, or supplier, unless the destination or designation would reveal its name);
7. In an antidumping proceeding, the exact amount of the dumping margin on individual sales;
8. In a countervailing duty proceeding, the exact amount of the benefit applied for or received by a person from each of the programs under investigation or review (but not descriptions of the operations of the programs, or the amount if included in official public statements or documents or publications, or the ad valorem countervailable subsidy rate calculated for each person under a program);
9. The names of particular persons from whom business proprietary information was obtained;
10. The position of a domestic producer or workers regarding a petition; and
11. Any other specific business information the release of which to the public would cause substantial harm to the competitive position of the submitter.

The following table lists the pages and attachments on which business proprietary information appears and the reason that proprietary treatment is requested for such information, referenced by the number of the reason listed above.

<u>Narrative Page</u>	<u>Reason</u>	<u>Public Summary</u>
3	1, 4	Non-public, sensitive trade secrets and purchase agreement terms.

<u>Exhibit</u>	<u>Reason</u>	<u>Public Summary</u>
B	4, 11	Non-public, sensitive investment agreement terms
D	1, 4	Non-public, sensitive trade secrets and purchase agreement terms.

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* * *

In accordance with the Department's regulations, we are filing this submission electronically via ACCESS at <http://access.trade.gov>, and we are serving copies today on parties indicated on the attached certificate of service. If the Department has any questions regarding this submission or requires any additional information, please do not hesitate to contact the undersigned.

Respectfully submitted,

/s/ William R. Isasi

Peter Lichtenbaum
William R. Isasi

*Counsel to Bombardier Inc. and C Series
Aircraft Limited Partnership*

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Exhibit Number	Description
A	Form 51-102F3, October 16, 2017
B	Bombardier - Airbus Investment Agreement - BPI
C	Letter Regarding C Series Current U.S. Jobs
D	Affidavit of Bombardier Official - BPI
E	C Series A Winning Partnership

COMPANY CERTIFICATION

I, Francis Lecomte, acting as Vice President, Contracts and Legal Services, for Bombardier Commercial Aircraft, Bombardier Inc., currently employed by the C Series Aircraft Limited Partnership ("CSALP"), certify that I prepared or otherwise supervised the preparation of the attached "Evidence on the Proposed Transaction," filed on November 6, 2017, in the Antidumping and Countervailing Duty Investigations of 100- to 150-Seat Large Civil Aircraft from Canada (A-122-860 and C-122-860). I certify that the public information and any business proprietary information of Bombardier Inc. and CSALP contained in this submission are accurate and complete to the best of my knowledge. I am aware that the information contained in this submission may be subject to verification or corroboration (as appropriate) by the U.S. Department of Commerce. I am also aware that U.S. law (including, but not limited to, 18 U.S.C. § 1001) imposes criminal sanctions on individuals who knowingly and willfully make material false statements to the U.S. Government. In addition, I am aware that, even if this submission may be withdrawn from the record of the AD/CVD proceeding, the U.S. Department of Commerce may preserve this submission, including a business proprietary submission, for purposes of determining the accuracy of this certification. I certify that a copy of this signed certification will be filed with this submission to the U.S. Department of Commerce.

Signature:



Date:

NOVEMBER 6, 2017

REPRESENTATIVE CERTIFICATION

I, William R. Isasi, with Covington & Burling LLP, Counsel to Bombardier Inc. and C Series Aircraft Limited Partnership, certify that I have read the attached "Evidence on the Proposed Transaction," submitted on November 6, 2017, in the Antidumping and Countervailing Duty investigations of 100- to 150-Seat Large Civil Aircraft from Canada (A-122-859, C-122-860). In my capacity as Counsel, I certify that the information contained in this submission is accurate and complete to the best of my knowledge. I am aware that U.S. law (including, but not limited to, 18 U.S.C. § 1001) imposes criminal sanctions on individuals who knowingly and willfully make material false statements to the U.S. Government. In addition, I am aware that, even if this submission may be withdrawn from the record of the AD/CVD proceeding, the U.S. Department of Commerce may preserve this submission, including a business proprietary submission, for purposes of determining the accuracy of this certification. I certify that a copy of this signed certification will be filed with this submission to the U.S. Department of Commerce.

Signature:

W. Isasi.

Date:

11/6/17

CERTIFICATE OF SERVICE

100- to 150-Seat Large Civil Aircraft from Canada

Public Service List: C-122-860

I, Doron Hindin, hereby certify that on the 6th day of November 2017, copies of the foregoing document were served on the following parties by hand delivery:

Patrick J. McLain, Esq.
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I, Doron Hindin, hereby certify that on the 6th day of November 2017, copies of the foregoing document were served on the following parties by first class mail:

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/s/ Doron Hindin
Doron Hindin

PUBLIC DOCUMENT

EXHIBIT A

FORM 51-102F3

MATERIAL CHANGE REPORT

Certain statements in this material change report constitute forward-looking statements. Readers should refer to the cautionary notice regarding forward-looking statements that appears at the end of this report.

Item 1 Name and Address of Company:

Bombardier Inc. (the **Corporation**)
29th Floor
800 René-Lévesque Blvd. West
Montréal, Quebec H3B 1Y8

Item 2 Date of Material Change:

October 16, 2017

Item 3 News Release:

A press release was issued by Bombardier Inc. (**Bombardier** or the **Corporation**) on October 16, 2017.

Item 4 Summary of Material Change:

On October 16, 2017, Bombardier announced it had entered into a definitive Investment Agreement (the **Investment Agreement**) with Airbus SE (**Airbus**) regarding the acquisition by Airbus of a majority interest in C Series Aircraft Limited Partnership (**CSALP**), the entity that manufactures and sells C Series aircraft.

At the closing of the transaction, Airbus will acquire a 50.01% interest in CSALP, while Bombardier and (**IQ**) will respectively own approximately 31% and 19% of CSALP. Airbus will also enter into commercial agreements relating to (i) sales and marketing support services for the C Series, (ii) management of procurement, which will include leading negotiations to improve CSALP level supplier agreements, and (iii) customer support.

Airbus will have the right at a later time to acquire the remaining interests of Bombardier and IQ in CSALP, and Bombardier and IQ will benefit from corresponding put rights, each as more fully described below.

The transaction also provides for the issuance to Airbus, upon closing, of warrants exercisable to acquire up to 100,000,000 Class B Shares (subordinate voting) of Bombardier, as more fully described below.

Item 5.1 Full Description Of Material Change

On October 16, 2017, Bombardier announced it had entered into a definitive agreement with Airbus, and on such date *Investissement Québec* (**IQ**) and Airbus entered into a corresponding *Convention de soutien* (Support Agreement) (the **IQ Support Agreement**), each regarding the acquisition by Airbus of a majority interest in CSALP, the entity that manufactures and sells C Series aircraft.

The C Series programme is operated by CSALP in respect of which Bombardier and IQ respectively hold approximately a 63% and a 37% interest. The Investment Agreement and the IQ Support Agreement contemplate Airbus acquiring a 50.01% interest in CSALP. Airbus will enter into commercial agreements relating to (i) sales and marketing support services for the C Series, (ii) management of procurement,

which will include leading negotiations to improve CSALP level supplier agreements, and (iii) customer support. At closing, there will be no cash contribution by any of the partners, nor will CSALP assume any financial debt. The Investment Agreement also contemplates that Bombardier will continue with its current funding plan of CSALP and will fund, if required, the cash shortfalls of CSALP during the first year following the closing up to a maximum amount of US\$350 million, and during the second and third years following the closing up to a maximum aggregate amount of US\$350 million over both years, in consideration for non-voting participating units of CSALP with cumulative annual dividends of 2%, with any excess shortfall during such periods to be shared proportionately amongst Bombardier, Airbus and IQ, but in the latter case, at its discretion.

Airbus will benefit from call rights in respect of all of Bombardier's interest in CSALP at fair market value, with the amount for non-voting participating units used by Bombardier capped at the invested amount plus accrued but unpaid dividends, including a call right exercisable no earlier than 7.5 years following the closing, except in the event of certain changes in the control of Bombardier, in which case the right is accelerated. Bombardier will benefit from a corresponding put right whereby it could require that Airbus acquire its interest at fair market value after the expiry of the same period. IQ's interest is redeemable at fair market value by CSALP, under certain conditions, starting in 2023. IQ will benefit from a corresponding put right whereby it could require that CSALP, under certain conditions, acquire its interest at fair market value starting in 2023. IQ will also benefit from tag along rights in connection with a sale by Bombardier of its interest in CSALP.

The Board of Directors of CSALP will initially consist of seven directors, four of whom will be proposed by Airbus, two of whom will be proposed by Bombardier, and one of whom will be proposed by IQ. Airbus will be entitled to name the Chairman of CSALP.

Subject to obtaining the required approval from the Toronto Stock Exchange, the transaction also provides for the issuance to Airbus, upon closing, of warrants exercisable to acquire up to 100,000,000 Class B Shares (subordinate voting) of Bombardier (representing approximately 5% of the aggregate issued and outstanding Class A Shares (multiple voting) and Class B Shares of Bombardier on a fully-diluted basis, and approximately 5% of the aggregate issued and outstanding Class A Shares and Class B Shares on a non-diluted basis), at an exercise price per share equal to the US\$ equivalent of C\$2.29, which represents the volume-weighted average price of the Class B Shares over the five trading days ending Friday, 13 October 2017. The warrants will have a five-year term from the date of issue, will not be listed and will provide for market standard adjustment provisions, including in the event of corporate changes, stock splits, non-cash dividends, distributions of rights, options or warrants to all or substantially all shareholders or consolidations.

The issuance of the warrants and their terms were negotiated between Bombardier and Airbus at arm's length and will not materially affect control of Bombardier. Security holder approval will be required under Toronto Stock Exchange rules due to the fact that the warrants will be issued later than 45 days from the date upon which the exercise price was established. Such approval is expected to be obtained by way of written consent of shareholders holding more than 50% of the voting rights attached to all of Bombardier's issued and outstanding shares.

The transaction has been approved by the Boards of Directors of both Airbus and Bombardier, as well as the Cabinet of the Government of Québec. The transaction remains subject to regulatory approvals, as well as other conditions usual in this type of transaction. There are no guarantees that the transaction will be completed and that the conditions to which it is subject would be met. Completion of the transaction is currently expected for the second half of 2018.

Item 5.2 Disclosure for Restructuring Transactions

Not applicable.

Item 6 Reliance on subsection 7.1(2) of National Instrument 51-102:

Not applicable.

Item 7 Omitted Information:

Not applicable.

Item 8 Executive Officer:

For any inquiries with respect to this material change report, please contact Simon Letendre, Senior Advisor, Media Relations and Public Affairs, at (514) 861-9481.

Item 9 Date of Report:

October 26, 2017

Forward-looking statements

This report includes forward-looking statements, which may involve, but are not limited to: statements with respect to Bombardier's objectives, guidance, targets, goals, priorities, market and strategies, financial position, beliefs, prospects, plans, expectations, anticipations, estimates and intentions; general economic and business outlook, prospects and trends of an industry; expected growth in demand for products and services; product development, including projected design, characteristics, capacity or performance; expected or scheduled entry into-service of products and services, orders, deliveries, testing, lead times, certifications and project execution in general; competitive position; the completion, anticipated timing and use of the transactions described in this report; the impact and expected benefits of the transaction on operations, infrastructure, opportunities, financial condition, access to capital and overall strategy; and the receipt of regulatory and other approvals required with respect to this transaction and the anticipated timing thereof.

Forward-looking statements can generally be identified by the use of forward-looking terminology such as "may", "will", "shall", "can", "expect", "estimate", "intend", "anticipate", "plan", "foresee", "believe", "continue", "maintain" or "align", the negative of these terms, variations of them or similar terminology, as they relate to Bombardier and CSALP. Forward-looking statements are presented for the purpose of assisting investors and others in understanding certain key elements of Bombardier's current objectives, strategic priorities, expectations and plans, and in obtaining a better understanding of Bombardier's business and anticipated operating environment. Readers are cautioned that such information may not be appropriate for other purposes.

By their nature, forward-looking statements require Bombardier's management to make assumptions and are subject to important known and unknown risks and uncertainties, which may cause Bombardier's and CSALP's actual results in future periods to differ materially from forecast results set forth in forward-looking statements. While Bombardier's management consider these assumptions to be reasonable and appropriate based on information currently available, there is risk that they may not be accurate.

With respect to the transactions discussed herein specifically, certain factors that could cause actual results to differ materially from those anticipated in the forward-looking statements with respect to Bombardier include, but are not limited to, risks associated with the failure to receive or delay in receiving regulatory (including antitrust) or other approvals or otherwise satisfy the conditions to the completion of the transaction or delay in completing the transaction and uncertainty regarding the length of time

required to complete the transaction; changes in the terms of the transaction; the failure by either party to satisfy its obligations pursuant to the transaction agreement; the impact of the announcement of the transaction on Bombardier's relationships with third parties, including commercial counterparties, employees and competitors, strategic relationships, operating results and businesses generally; the failure to realize, in the timeframe anticipated or at all, the anticipated benefits and synergies of the transaction. Certain other factors that could cause actual results to differ materially from those anticipated in the forward-looking statements with respect to Bombardier include, but are not limited to, risks associated with general economic conditions, risks associated with our business environment (such as risks associated with "Brexit", the financial condition of the airline industry, business aircraft customers, trade policy; increased competition; political instability and force majeure events or natural disasters), operational risks (such as risks related to developing new products and services; development of new business; the certification and homologation of products and services; fixed-price and fixed-term commitments and production and project execution; pressures on cash flows and capital expenditures based on project-cycle fluctuations and seasonality; our ability to successfully implement and execute our strategy and transformation plan; doing business with partners; product performance warranty and casualty claim losses; regulatory and legal proceedings; environmental, health and safety risks; dependence on certain customers and suppliers; human resources; reliance on information systems; reliance on and protection of intellectual property rights; and adequacy of insurance coverage), financing risks (such as risks related to liquidity and access to capital markets; retirement benefit plan risk; exposure to credit risk; substantial existing debt and interest payment requirements; certain restrictive debt covenants and minimum cash levels; financing support provided for the benefit of certain customers; and reliance on government support), market risks (such as risks related to foreign currency fluctuations; changing interest rates; decreases in residual values; increases in commodity prices; and inflation rate fluctuations). For more details, see the Risks and uncertainties section in Other in the Management's Discussion and Analysis (MD&A) of Bombardier's financial report for the fiscal year ended December 31, 2016.

The assumptions underlying the forward-looking statements made in this report in relation to the transaction include the following material assumptions: the satisfaction of all conditions of closing and the successful completion of the transaction within the anticipated timeframe, including receipt of regulatory (including antitrust) and other approvals and the accuracy of Bombardier's assessment of anticipated growth divers and sector trends. For additional information relating to Bombardier with respect to the assumptions underlying the forward-looking statements made in this report, refer to the Strategic Priorities and Guidance and forward looking statements sections in the MD&A of Bombardier's financial report for the fiscal year ended December 31, 2016.

Readers are cautioned that the foregoing list of factors that may affect future growth, results and performance is not exhaustive and undue reliance should not be placed on forward-looking statements. Other risks and uncertainties not presently known to Bombardier or that Bombardier presently believe are not material could also cause actual results or events to differ materially from those expressed in its forward-looking statements. Accordingly, there can be no assurance that the proposed transaction will occur or that the anticipated strategic benefits and operational, competitive and cost synergies will be realized in their entirety, in part or at all. The forward-looking statements set forth herein reflect Bombardier's management's expectations as at the date of this report and are subject to change after such date. Unless otherwise required by applicable securities laws, Bombardier expressly disclaims any intention, and assumes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. The forward-looking statements contained in this report are expressly qualified by this cautionary statement.

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EXHIBIT B

Private & Confidential

Execution Version

Dated October 16, 2017

INVESTMENT AGREEMENT

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INVESTMENT AGREEMENT dated as of October 16, 2017

AMONG: **AIRBUS SE**, a European public limited-liability company (Societas Europaea) incorporated under the laws of the Netherlands

(Airbus)

AND: **BOMBARDIER INC.**, a corporation existing under the laws of Canada

(Bombardier)

AND: **9268430 CANADA INC.**, a corporation existing under the laws of Canada

(Canco1)

AND: **9268448 CANADA INC.**, a corporation existing under the laws of Canada

(Canco2)

AND: **C SERIES AIRCRAFT LIMITED PARTNERSHIP**, a limited partnership existing under the laws of the Province of Québec, Canada

(CSALP)

AND: **C SERIES AIRCRAFT MANAGING GP INC.**, a corporation existing under the laws of Canada

(the **Managing General Partner**)

AND: **C SERIES AIRCRAFT PROPERTIES INC.**, a corporation existing under the laws of Canada

(RealCo)

RECITALS

WHEREAS prior to the implementation of the Carve-Out Transaction (as defined below), Bombardier and the Managing General Partner carried on the Business (as defined below);

WHEREAS further to the implementation of the Carve-Out Transaction and taking into account the Existing Bombardier Commercial Agreements (as defined below), the CSALP Entities (as defined below) own or have the right to use all of the assets and rights that were used by Bombardier and the Managing General Partner in the operation of the Business prior to the implementation of the Carve-Out Transaction and currently carry on the Business;

WHEREAS IQ Subco (as defined below) subscribed for Units (as defined below) in the capital of CSALP and IQ (as defined below) subscribed for common shares in the capital of the Managing General Partner pursuant to a subscription agreement dated June 22, 2016 (the **IQ Subscription Agreement**);

WHEREAS Bombardier, the Acquired Cancos (as defined below), the CSALP Entities and the IQ Entities (as defined below) have entered into the Original Ancillary Agreements (as defined below);

WHEREAS, subject to the terms hereof, Bombardier, the Acquired Cancos and the CSALP Entities will implement and complete prior to Closing (as defined below) the Pre-Closing Reorganization

(as defined below) following which, amongst other things, the Acquired Cancos will own a majority of the Units of CSALP immediately prior to the Effective Time (as defined below) on the Closing Date (as defined below);

WHEREAS Airbus wishes to (i) subscribe for Units representing a participation of approximately 50.01% in CSALP; (ii) transfer a portion of such Units to Bombardier in consideration for the Acquired Shares (as defined below); and (iii) acquire common shares in the capital of the Managing General Partner from Bombardier and IQ representing 50.01% of all issued and outstanding shares in the capital of the Managing General Partner (the **Shares**), the whole on and subject to the terms and conditions set out in this Agreement and the Support Agreement (as defined below);

WHEREAS Airbus, Bombardier, the Acquired Cancos and the CSALP Entities wish to enter into the Closing Transactions (as defined below);

WHEREAS concurrently with the execution of this Agreement, Airbus, Bombardier and CSALP will enter into []; and

WHEREAS concurrently with the execution of this Agreement, Airbus, IQ and IQ Subco will enter into the Support Agreement.

Redacted language includes references to confidential information.

NOW, THEREFORE, the Parties agree as follows:

Article 1 INTERPRETATION

1.1 Definitions

In this Agreement, unless the context otherwise requires, the following words and expressions have the following meanings:

- (a) **2016 Contribution Agreement** means the Contribution Agreement entered into between Bombardier and CSALP on June 30, 2016.
- (b) **Acquired Canco1 Share Consideration** has the meaning set forth in Section 2.3.
- (c) **Acquired Canco1 Shares** has the meaning set forth in Section 2.1(b)(ii).
- (d) **Acquired Canco2 Share Consideration** has the meaning set forth in Section 2.4.
- (e) **Acquired Canco2 Shares** has the meaning set forth in Section 2.1(b)(iii).
- (f) **Acquired Cancos** means, collectively, Canco1 and Canco2 and includes any amalgamated corporation resulting from the amalgamation of Canco1 and Canco2.
- (g) **Acquired GP Share Consideration** has the meaning set forth in Section 2.5.
- (h) **Acquired GP Shares** means such number of Shares representing 50.01% of the Shares (rounded up to the nearest whole Share) held by Bombardier as of the Effective Time on a fully diluted basis.
- (i) **Acquired Shares** has the meaning set forth in Section 2.1(b)(iii).
- (j) **ADM** means Aéroports de Montréal.

(k)

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Definition redacted and includes commercially sensitive information.

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- (l) **Adverse Change of Control** means: (i) any transaction or series of transactions, including any plan of arrangement, merger, amalgamation, take-over bid, consolidation, share exchange, treasury issuance, business combination, reorganization, recapitalization, liquidation, dissolution, winding up, exclusive license, sale or disposition or any other transaction that if consummated (A) would result in the direct or indirect sale or disposition (or any direct or indirect lease, license, long-term supply agreement or other similar arrangement) of (x) all or substantially all of the assets of Bombardier; (y) all or substantially all of the assets of Bombardier which are used to provide services to the CSALP Entities pursuant to the Existing Bombardier Commercial Agreements or otherwise in connection with the Business; or (z) any Intellectual Property licensed to the CSALP Entities by Bombardier or any of its Affiliates, in each case to a Specified Person or (B) would result in a Specified Person beneficially acquiring directly or indirectly a sufficient number of voting or equity securities (or securities convertible into or exchangeable for such voting or equity securities) to Control Bombardier or the CSALP Entities; or (ii) any Insolvency Event.
- (m) **Affiliate** means, with respect to any specified Person, at the time such determination is being made, (i) any Person that directly or through one or more intermediaries Controls or is Controlled by or is under common Control with the specified Person; or (ii) any Person (other than an individual) who is a general partner, partner or manager of the specified Person.
- (n) **Agreement** means this Investment Agreement, the agreed form of the documents mentioned herein and the Disclosure Letter attached to it or otherwise forming part of it, as the same may be amended, restated, modified or supplemented from time to time in accordance with the terms hereof.
- (o) **Airbus** has the meaning set forth in the recitals hereto.
- (p) **Airbus Commercial Agreements** has the meaning set forth in Section 2.1(b)(ix).
- (q) **Airbus Indemnified Persons** means (i) if Closing does not occur, Airbus and its Representatives; and (ii) if Closing occurs, Airbus, the CSALP Entities, the Acquired Cancos and each of their respective Representatives.
- (r) **Airbus IP Agreements** has the meaning set forth in Section 2.1(b)(x).
- (s) **Aircraft** means the (i) Bombardier CS100 model (model BD-500-1A10); (ii) Bombardier CS300 model (model BD-500-1A11); and (iii) any future single-aisle commercial passenger versions or improvements of such CS100 and CS300 aircraft and any single-aisle commercial passenger derivative aircraft such as, without limitation, an eventual single-aisle commercial passenger aircraft [

Definition redacted in part and includes commercially sensitive information.

- (t) **Alternative Transaction** means: (i) any transaction or series of transactions, including any plan of arrangement, merger, amalgamation, take-over bid, consolidation, share exchange, treasury issuance, business combination, reorganization, recapitalization, liquidation, dissolution, winding up, exclusive license, sale or disposition or any other transaction that if consummated: (A) would result in the direct or indirect sale or disposition (or any direct or indirect lease, license, long-term supply agreement or other similar arrangement) of assets of the CSALP Entities, the aerostructures division of Bombardier or the CRJ Business, in each case, outside of the Ordinary Course; or (B) would result in such Person or group of Persons beneficially owning directly or indirectly any class of securities of the CSALP Entities (or securities convertible into or exchangeable for such voting or equity securities); or (ii) any joint venture or strategic partnership related to the Business resulting in any Person being entitled to exercise a significant influence over the Business.
- (u) **Ancillary Agreements** means the CSALP Agreement, the Shareholders Agreement, the Transfer Rights Agreement, the Warrant Certificate and the Termination of the Bombardier Guarantee.
- (v) **Antitrust and Foreign Investment Law** means any Canadian or foreign competition, antitrust, merger control or investment Laws or Laws that provide for review of national security or defence matters, including to the Competition Act, the Investment Canada Act, the Sherman Antitrust Act, the Clayton Antitrust Act, the Federal Trade Commission Act and the HSR Act.
- (w) **Authorization** means, with respect to any Person, any order, permit, certificate of authorization, approval, registration, waiver, license, consent, notice or similar authorization of any Governmental Entity having jurisdiction over such Person.
- (x) **Balance Sheet** means the combined balance sheet of the CSALP Entities as at December 31, 2016, including the notes thereto, and accompanied by the auditor's report thereon.
- (y) **Bombardier** has the meaning set forth in the recitals hereto.
- (z) **Bombardier Commercial Agreements** has the meaning set forth in Section 2.1(b)(xii).
- (aa) [
-]
- (bb) **Bombardier Core Representations** means, collectively, the representations and warranties of Bombardier in Sections 3.2(a) (Incorporation, Corporate Power and Qualification); 3.2(b) (No Assets or Liabilities); 3.2(c) (Validity of Agreement); 3.2(d) (Execution and Binding Obligation); 3.2(e) (Required Authorizations); 3.2(f) (Required Consents); 3.2(h) (Title to Acquired Shares); 3.2(j) (No Other Agreements to Acquire); 3.2(k) (Capitalization); 3.2(q) (No Brokers, etc.); and 3.2(s) (Private Issuer Status).
- (cc) **Bombardier Indemnified Persons** means (i) if Closing does not occur, Bombardier, the CSALP Entities, the Acquired Cancos and each of their respective Representatives; and (ii) if Closing occurs, Bombardier and its Representatives.
- (dd) **Bombardier Shareholder Approval** means the approval of the holder of the voting securities of Bombardier in respect of the issuance of the Warrants to Airbus as contemplated by this Agreement pursuant to the requirements of the TSX (including Sections 607(f)(i) and 607(i) of the TSX Company Manual), which approval shall be

Definition redacted and includes confidential information.

obtained by resolution at a meeting of Bombardier security holders or through a written consent satisfactory to the TSX.

- (ee) **Business** means the business carried on by the CSALP Entities consisting of the design, development, manufacturing, assembly, certification, maintenance, support, refurbishment, marketing and sale of the Aircraft.
- (ff) **Business Data** has the meaning set forth in Section 3.1(u)(ii).
- (gg) **Business IP Entities** means Bombardier (in its capacity as licensor of Intellectual Property Rights used in the Business) and the CSALP Entities.
- (hh) **Business License Agreements** has the meaning set forth in Section 3.1(t)(ii).
- (ii) **Building** means the building bearing civic address 13,100 Henri-Fabre, Mirabel, Québec and known and designated as being lot number 5 963 249 of the Cadastre of Québec, Registration Division of Deux-Montagnes.
- (jj) **Business Day** means any day other than Saturday, Sunday or any other day on which banking institutions in Montreal, Québec or Toulouse, France are not open for the transaction of normal banking business.
- (kk) **Business Real Property** means the Owned Property and the subleased land located at 13,100 Henri-Fabre, Mirabel, Québec.
- (ll) **Canco1** has the meaning set forth in the recitals hereto.
- (mm) **Canco2** has the meaning set forth in the recitals hereto.
- (nn) **Carve-Out Transaction** means the implementation, from and after June 22, 2016, of the transactions contemplated in the final version of the document entitled “Opale Project – Reorganization Agenda” made available to Airbus, including the implementation of the [] attached as Addenda to the 2016 Contribution Agreement.
- (oo) **Claim** means claims, notices, demands, proceedings, actions, arbitrations, suits, causes of action, appeals, audits, hearings, investigations, inquiries, assessments or reassessments (including assessments and reassessments for Tax), charges, indictments, prosecutions, judgments or grievances.
- (pp) **Class B Shares** has the meaning set forth in Section 2.1(b)(xiii).
- (qq) **Closing** means the completion of the Closing Transactions contemplated in Section 2.1.
- (rr) **Closing Date** means (i) the date that is the first Business Day of the calendar month immediately following the calendar month during which the last of the conditions set out in Article 6 (other than those conditions that by their nature can only be satisfied as of the Closing Date) has been satisfied or waived by the Investors, on the one hand, and the Existing Investors, on the other hand, provided that in the event such date is less than five (5) Business Days prior to the end of a calendar month, then such date shall be the date that is the first Business Day of the second immediately following calendar month; or (ii) such earlier or later date as the Investors, on the one hand, and the Existing Investors, on the other hand, may agree in writing.

<p>Definition redacted in part and includes commercially sensitive information.</p>

- (ss) **Closing Transactions** has the meaning set forth in Section 2.1.
- (tt) **Collective Agreement** means the following collective agreements (including their schedules, letter agreements, and related memoranda, moratoria, or union agreements and renewals and extensions): (i) the collective agreement between Bombardier Aerospace and the International Association of Machinists and Aerospace Workers, Montreal Aircraft Lodge 712, District 11 C.L.C. / Q.F. L. from November 29, 2014 to November 30, 2018; and (ii) the collective agreement between Bombardier and *Le Syndicat des Métallurgistes Section locale 1976* from December 1, 2014 to November 30, 2018.
- (uu) **Commercial Agreements** means collectively the Airbus Commercial Agreements, the Airbus IP Agreements and the Bombardier Commercial Agreements.
- (vv) **Commissioner of Competition** means the Commissioner of Competition appointed under the Competition Act and any person duly authorized to exercise the powers and perform the duties of the Commissioner of Competition.
- (ww) **Competition Act** means the Competition Act (Canada).
- (xx) **Competition Act Approval** means, in respect of the transactions contemplated by this Agreement, either: (i) Bombardier and Airbus have received an advance ruling certificate from the Commissioner of Competition pursuant to Section 102 of the Competition Act; or (ii) both (A) the waiting period under Section 123 of the Competition Act has expired or been terminated by the Commissioner of Competition, or the Commissioner of Competition has waived the application of Part IX of the Competition Act pursuant to Subsection 113(c) of the Competition Act; and (B) Bombardier and Airbus have received written confirmation from the Commissioner of Competition stating that the Commissioner of Competition does not, at that time, intend to make an application to the Competition Tribunal under Section 92 of the Competition Act.
- (yy) **Competition Tribunal** means the Competition Tribunal established under the Competition Tribunal Act (Canada).
- (zz) **Confidentiality Agreement** means the confidentiality agreement entered into between Airbus and Bombardier as of [], as amended.
- (aaa) **Consent** means, with respect to any Person, the consent, approval, authorization or waiver of a contracting party if required by the terms of any contract between such contracting party and such Person.
- (bbb) []
- (ccc) **Constituting Records** means, in respect of any Person, the corporate and constituting records of such Person, including (i) all articles, constituting and organizational documents and by-laws (including any partnership agreement, deed of trust or other); (ii) all shareholders agreements affecting such Person; (iii) all minutes of meetings and resolutions of shareholders and directors (and any committees); and (iv) the share certificate books, securities register, register of transfers and register of directors.
- (ddd) **Contract** means any and all written or verbal contracts and agreements (including quotations, orders and rebates), derivative contracts, leases (including capital leases and the Real Property Lease), insurance policies, deeds, indentures, instruments,

Definition
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to the date.

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includes
confidential
information.

warranties, commitments, indemnities, guarantees, undertakings and orders made by or to which any CSALP Entity is a party or by which any CSALP Entity is bound or under which any CSALP Entity has, or will have at Closing, any rights or obligations, and includes rights to use, franchises, license and sub-licences agreements and agreements for the purchase and sale of assets or shares.

- (eee) **Contractual Currency** has the meaning set forth in Section 1.2.
- (fff) **Control** means (i) the beneficial ownership, directly or indirectly, of voting securities of a person carrying more than 50% of the voting rights attaching to all voting securities thereof; (ii) the right to elect or appoint a majority of the board of directors (or equivalent) of a person; or (iii) the possession, directly or indirectly, of the power to direct or cause the direction of the management and business or affairs of a Person, whether through ownership of voting securities, by contract or otherwise.
- (ggg) **CRJ Business** means the business carried on by Bombardier consisting of the design, development, manufacturing, assembly, certification, maintenance, support, refurbishment, marketing and sale of the CRJ Series regional jet.
- (hhh) **CSALP** has the meaning set forth in the recitals hereto.
- (iii) **CSALP Agreement** has the meaning set forth in Section 2.1(b)(vi).
- (jjj) **CSALP Entities** means (i) prior to the June 30, 2016, Bombardier (but only insofar as its operation of the Business and its assets and rights used in the Business are concerned) and the Managing General Partner; and (ii) from and after June 30, 2016, RealCo, CSALP and the Managing General Partner.
- (kkk) **CSALP Entities Core Representations** means, collectively, the representations and warranties of the CSALP Entities in Sections 3.1(a) (Incorporation, Corporate Power and Qualification); 3.1(b) (Validity of Agreement); 3.1(c) (Execution and Binding Obligation); 3.1(d) (Required Authorizations); 3.1(e) (Required Consents); 3.1(g) (Title to Acquired Securities); 3.1(h) (No Other Agreements to Acquire); 3.1(i) (Capitalization); 3.1(n) (Compliance with Laws); 3.1(o) (Investigations); 3.1(p) (Absence of Questionable Payments); 3.1(q) (Title to Assets); 3.1(t)(ii) (Title to Intellectual Property); 3.1(gg) (No Brokers, etc.); and 3.1(hh) (Private Issuer Status).
- (III) **Customer** has the meaning set forth in Section 3.1(l)(i).
- (mmm) **Damages** has the meaning set forth in Section 8.1(a).
- (nnn) **Development and Certification Agreements** mean, collectively, (i) the Development and Certification Agreement with effective date of January 1, 2016 entered into between the Managing General Partner and Bombardier whereby, among other things, the Managing General Partner causes to be carried out by Bombardier certain SR-ED Activities; (ii) the Development and Certification Agreement entered into as of June 30, 2016 between the Managing General Partner and CSALP whereby, among other things, the Managing General Partner causes to be carried out by CSALP certain SR-ED Activities; and (iii) the Development and Certification Agreement entered into on June 30, 2016 between Short Brothers PLC and the Managing General Partner whereby, among other things, Short Brothers PLC causes to be carried out by the Managing General Partner certain SR-ED Activities.
- (ooo) **Disclosure Letter** means the disclosure letter dated the date of this Agreement or, to the extent applicable and provided pursuant to Section 4.5, the Disclosure Letter as

updated by any Disclosure Letter Update as of Closing, delivered by Bombardier and the CSALP Entities to Airbus.

- (ppp) **Disclosure Letter Update** has the meaning set forth in Section 4.5(b).
- (qqq) **Dispute** has the meaning set forth in Section 9.1.
- (rrr) **Effective Time** means 12:01 a.m. on the Closing Date.
- (sss) **Employee Plans** means each and every retirement, pension, supplemental pension, savings, retirement savings, bonus, profit sharing, deferred compensation, severance or termination pay (including any redundancy policy), change of control, life insurance, medical, hospital, dental care, vision care, drug, sick leave, short term or long term disability, salary continuation, unemployment benefits, vacation, incentive, compensation, stock purchase, stock option, phantom stock, share appreciation rights, fringe benefit or other employee benefit plan, program, arrangement, policy or practice whether written or oral, formal or informal, funded or unfunded, registered or unregistered, bargained or unbargained, insured or self-insured that is maintained or otherwise funded or contributed to, or required to be funded or contributed to, by or on behalf of any CSALP Entity, or under which any CSALP Entity pays premiums or benefits, for the benefit of the Employees or any of them or the beneficiary of any of them or for the benefit of any consultant or other independent contractor who currently provides or formerly provided services to them or the beneficiary of any such consultant or other independent contractor, in each case other than a government-sponsored employment insurance, workers' compensation, health insurance, parental insurance or pension plan.
- (ttt) **Employees** means all unionized or non-unionized employees of the CSALP Entities, whether active or inactive, and whether employed in a full-time, part-time, occasional or any other capacity.
- (uuu) **Encumbrances** means pledges, liens (statutory or otherwise), charges, security interests, privileges, mortgages, hypothecs, title retention agreements, conditional sales contracts, or other similar interests or instruments charging, or creating a security interest in, or against title, restrictions, development or similar agreements, easements, servitudes, rights-of-way (registered or unregistered), restrictive covenants or any other encumbrances of any kind or character whatsoever or however arising, or any agreement to enter into or create any of the foregoing, on or affecting all or any part of any of the assets of a Person, including any encumbrances of mechanics, labourers, workmen, builders, contractors, suppliers of material or architects or other similar encumbrances incidental to construction, maintenance or repair operations and other similar liens, legal hypothecs and encumbrances.
- (vvv) **Environment** means the environment as defined pursuant to the Environmental Quality Act (Québec) and as defined in all other Laws on the environment, and includes air (and all layers of the atmosphere), surface water, underground water, land surface, soil, underground spaces, cavities, land submerged under water, subsurface strata, stream sediments, ambient air (including indoor air), plant and animal life, organic and inorganic matter and other living organisms and any sewer system; for greater certainty, the interacting natural systems that include components referred to above or any combination or part thereof are included in the definition of **Environment**; and **Environmental** shall have the correlative meaning.
- (www) **Environmental Law** means any applicable Law which relates in any way to the Environment, the protection or quality of the Environment, the health or safety of Persons or the public or the presence or emission or discharge of Environmentally

Hazardous Substances in or into the Environment, including such Laws relating to the withdrawal, contamination and use of groundwater and surface water, to management, excavation and soil contamination, to the delivery of Authorizations or to inspections and surveys, remedial actions and rehabilitation in connection with any presence, emission, discharge, generation, holding, handling, labelling, abatement, management, control, monitoring, existence, escape or disposal or threat of same of any Environmentally Hazardous Substances, or relating to the manufacture, processing, distribution, use, treatment, storage, disposal, transport or handling of any Environmentally Hazardous Substances, or to the release, threatened release or arranging for the transportation of any Environmentally Hazardous Substances.

- (xxx) **Environmentally Hazardous Substance** means any material or substance that is deemed or defined pursuant to any Environmental Law to be "hazardous", "toxic", "deleterious", "caustic", a "contaminant", a "hazardous waste", a "source of contaminant", a "pollutant", a "radioactive explosive", "gaseous", "flammable", "corrosive", "oxidizing", including any mixture thereof.
- (yyy) **Existing Bombardier Commercial Agreements** has the meaning set forth in Section 2.1(b)(xii).
- (zzz) **Governmental Entity** means any: (i) multinational, federal, provincial, state, municipal, local or other governmental or public body, department, court, tribunal, arbitral body with legal jurisdiction, commission, commissioner, board, bureau, agency, ministry, minister, governor-in-council, cabinet, department or instrumentality, domestic or foreign; (ii) subdivision or authority of any of the foregoing; (iii) stock exchange; or (iv) quasi-governmental or private body exercising any regulatory, expropriation or taxing authority under or for the account of any of the above; in each case: (A) having or purporting to have jurisdiction on behalf of any nation, province, territory or state or any other geographic or political subdivision of any of them; or (B) that is a public international organization or supranational body and its institutions, departments, agencies and instrumentalities; or (C) exercising, or entitled or purporting to exercise any administrative, executive, judicial, legislative, policy, regulatory or taxing authority or power.
- (aaaa) **GST** means Taxes imposed under Part IX of the Excise Tax Act (Canada).
- (bbbb) **HSR Act** means the Hart-Scott-Rodino Antitrust Improvements Act of 1976.
- (cccc) **ICA Approval** means that the applicable Minister or Ministers under the Investment Canada Act shall have determined that he (or they) is (or are) satisfied that the transactions contemplated by this Agreement are likely to be of net benefit to Canada pursuant to the ICA and receipt by Airbus of written evidence from the Minister(s) to that effect.
- (dddd) **ICC** has the meaning set forth in Section 9.2(a).
- (eeee) **IFRS** means International Financial Reporting Standards as issued by the International Accounting Standards Board.
- (ffff) **Indemnified Person** has the meaning set forth in Section 8.5(a).
- (gggg) **Indemnifying Party** has the meaning set forth in Section 8.5(b).
- (hhhh) **Insolvency Event** means, in relation to any of Bombardier, the Acquired Cancos and the CSALP Entities, any corporate action, legal proceedings or other procedure or step

is taken in relation to such Person (in each case, whether by a party, its directors or a third party) in relation to:

- (A) a composition, compromise, assignment or arrangement with any creditor(s) under insolvency or other applicable legislation (including any proposal in relation thereto); or
 - (B) the appointment of a liquidator, trustee in bankruptcy, receiver, interim receiver, monitor, administrator, administrative receiver, manager, compulsory manager or other similar officer in respect of such Person or any of its assets (in each case whether out of court or otherwise).
- (iii) **Intellectual Property** means material or subject matter that is or may be protected by any Intellectual Property Rights.
- (jjjj) **Intellectual Property Rights** means any or all intellectual property rights, whether registered or not, including those rights arising out of or related to: (i) all domestic and foreign patents, utility models and applications therefore and all re-examinations, reissues, divisions, renewals, extensions, provisionals, continuations and continuations-in-part thereof; (ii) all trade-marks, trade names, service marks, service names, certification marks, brands, logos, trade dresses, domain names and social media identifiers, together with the goodwill associated therewith; (iii) all copyrights, database rights, integrated circuit topographies and protected plant varieties; (iv) all industrial designs, CAD designs and works protected by copyright including computer software, documentation, designs, schematics, specifications or records; (v) all inventions (whether or not patentable); and (vi) all proprietary and confidential business and technical information including technical data, trade secrets, ideas, formulae, algorithms, methods, techniques, processes, research and development and technology know-how, databases, data compilations and collections and technical data; including, in the case of each of clauses (i) through (v), inclusively, whether such rights are registered or not and, in the case of each of clauses (i) through (vi), exclusively, any and all registrations, applications, recordings, common-law rights, rights granted pursuant to civil law and contracts, however denominated, throughout the world and in all media now known, and all rights to sue at law or in equity for any past infringement or other impairment of any and all of the foregoing, including the right to receive all proceeds and damages therefrom, where applicable at Law.
- (kkkk) **Investment Canada Act** means the Investment Canada Act.
- (llll) **IQ** means Investissement Québec.
- (mmmm) **IQ Entities** means, collectively, IQ and IQ Subco.
- (nnnn) **IQ Subscription Agreement** has the meaning set forth in the recitals hereto.
- (oooo) **IQ Subco** means Investissement IQ (0040) Inc.
- (pppp) **IT Systems** has the meaning set forth in Section 3.1(u)(ii).
- (qqqq) **Laws** means any foreign, federal, provincial, state or local law (including common law or civil law), statute, code, ordinance, decree, rule, regulation, by-law, statutory rule or other requirement, including any order, injunction, judgement, decree, ruling, writ, assessment, arbitration award, terms and conditions of any grant of approval, permission, authority or Authorization of any Governmental Entity, in each case to the extent having force of law or binding on the Person in respect of which such term is used.

(rrrr) **Major Suppliers** means the largest suppliers of aircraft systems, structures, components and other supplies to the Business (except Bombardier and its Affiliates), based on their respective contributions to the value of the bill of materials for each Aircraft, that are party to Contracts for the collective supply of aircraft systems, structures, components and other supplies representing, in the aggregate, at least [] of the value of the bill of materials provided by Persons other than Bombardier and its Affiliates with respect to each Aircraft.

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(ssss) **Managing General Partner** has the meaning set forth in the recitals hereto.

(tttt) **Material Adverse Change** or **Material Adverse Effect** means any event, change, circumstance or occurrence which first occurs after the date of this Agreement that, individually or in the aggregate with all other events, changes, circumstances or occurrences which also first occur after the date of this Agreement: (i) is or would reasonably be expected to be materially adverse to the results of operations, financial condition, business, assets, liabilities or operations of the Business or (ii) is or would reasonably be expected to impair the ability of (x) Bombardier, the CSALP Entities or the Acquired Cancos to perform their material obligations under this Agreement, or (y) the IQ Entities to perform their material obligations under the Support Agreement; but shall exclude any event, change, fact, circumstance or occurrence arising out of: (A) any adverse change or circumstance relating generally to financial markets or general economic or political conditions; (B) any adverse change or circumstance relating to conditions generally affecting the industry in which the Business operates; (C) any acts of war or terrorism, civil unrest or similar event; (D) any changes or proposed changes to applicable Laws, regulations or accounting practices, including, where applicable, IFRS, or the interpretation thereof; (E) the compliance with the terms of, or the taking of any action expressly required by, this Agreement or any Related Agreement; (F) the announcement, pendency or completion of this Agreement or the transactions contemplated hereby; (G) any act or omission of Bombardier, IQ, the CSALP Entities or any of their respective Affiliates at the written request, or with the prior written consent, of Airbus; (H) any Specified Matter; or (I) any such event, change, fact, circumstance or occurrence which is merely temporary, provided, in the case of the immediately preceding clauses (A) and (B), that any such event, change, circumstance or occurrence does not affect the Business in a substantially and disproportionate manner relative to other entities operating in the industry in which the Business operates.

(uuuu) **Material Contract** means, in respect of the Business, the 2016 Contribution Agreement and each:

- (i) Contract with intermediaries for the sale of an Aircraft;
- (ii) Existing Bombardier Commercial Agreement;
- (iii) Contract with a Major Supplier;
- (iv) Aircraft purchase agreement or related Contract (including a service contract) with a customer of the Business;
- (v) lease, rental or occupancy agreement (including the Real Property Lease) and other Contract affecting the ownership of, leasing of, title to, use of, or any leasehold or other interest in, any real (immovable) property;
- (vi) Contract containing covenants that in any way restrict or purport to restrict the business activity of any CSALP Entity to engage in any business or to compete with any Person;

- (vii) Contract which concerns any joint venture, partnership or other Contract (however named) involving a sharing of profits, losses, costs, or liabilities by any CSALP Entity;
- (viii) Contract relating to or creating any trust indenture, mortgage, hypothec, promissory note, bond, loan agreement, guarantee, indemnification or other contract for the borrowing of money or otherwise evidencing any indebtedness of any CSALP Entity;
- (ix) Contract which is not in the Ordinary Course or not on arm's length terms;
- (x) Contract with a Governmental Entity which is material to the Business, including the IQ Subscription Agreement;
- (xi) Intellectual Property Rights license;
- (xii) Contract the early termination of which would result in a Material Adverse Effect; or
- (xiii) amendment, supplement, and modification in respect of any of the foregoing.
- (vvvv) **Material Proceeding** means a proceeding, action, arbitration, suit, appeal or hearing before any Governmental Entity (i) for an amount of [] or (ii) which could have a Material Adverse Effect.
- (www) **Memorandum** has the meaning set forth in Section 3.1(bb)(x).
- (xxxx) **Neptune Matters Protocol** means the agreed form of the Project Neptune Matters.
- (yyyy) **Neptune Contract Parameters** has the meaning set forth in Section 4.6.
- (zzzz) **NI 45-106** means *National Instrument 45-106 – Prospectus Exemptions*.
- (aaaa) **OHSA** has the meaning set forth in Section 3.1(bb)(ii).
- (bbbb) **Order** means any final and enforceable order, judgment, injunction, decree, ruling, stipulation, award or writ of any court, tribunal, arbitrator or other Governmental Entity.
- (cccc) **Ordinary Course** means:
 - (i) with respect to the CSALP Entities or the Business, the conduct of the Business by the CSALP Entities consistent with their practice of the twelve-month period prior to the date of this Agreement; provided that any matter or action consistent or in accordance with [] shall be deemed Ordinary Course; and
 - (ii) with respect to any other Person or business, the ordinary course of such Person or business, consistent with past practice.
- (ddddd) **Original Ancillary Agreements** means (i) the Original LPA; (ii) the unanimous shareholders agreement entered into as of June 30, 2016 between Bombardier, IQ and the Managing General Partner; (iii) the transfer rights agreement entered into as of June 30, 2016 between Canco1, Canco2, the IQ Entities, CSALP and the Managing General Partner; (iv) the Convention de continuit  entered into as of the June 30, 2016 among CSALP, the Managing General Partner, Bombardier and the Government of

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Québec; (v) the warrant certificate representing the 50,000,000 warrants exercisable to acquire Class B Shares (subordinate voting) in the capital of Bombardier issued to IQ on June 30, 2016; (vi) the warrant certificate representing the 50,000,000 warrants exercisable to acquire Class B Shares (subordinate voting) in the capital of Bombardier issued to IQ on September 1, 2016; (vii) the guarantee dated as of June 22, 2016 entered into between Bombardier and the IQ Entities; and (viii) the *Cautionnement et Engagement* dated as of June 30, 2016 entered into between Bombardier, the IQ Entities, CSALP and the Managing General Partner.

(eeeeee) **Original LPA** means the second amended and restated limited partnership agreement entered into as of June 30, 2016 between IQ Subco, the Managing General Partner, the Acquired Cancos and Bombardier.

(fffff) **Outside Date** means the outside date as agreed to by e-mail on the date hereof between Airbus's and Bombardier's respective external legal counsel, as such date may be postponed in accordance with Section 7.1(b)(ii).

(ggggg) **Owned Property** means improvements on the lands leased pursuant to the Real Property Lease entered into with ADM and owned by the CSALP Entities, including the Building, but excluding, for greater certainty, all fixed machinery, fixed equipment and other fixtures of Bombardier used or held for use exclusively by Bombardier in the operation of Bombardier's businesses other than the Business.

(hhhhh) **Parties** means the parties to this Agreement.

(iiiiii) **Pension Plans** means each "registered pension plan", as such term is defined in subsection 248(1) of the Tax Act that is sponsored, administered or contributed to or required to be contributed to by or on behalf of any CSALP Entity for the benefit of the Employees but does not include the Canada Pension Plan or the Québec Pension Plan as maintained by the Government of Canada or the Province of Québec, respectively.

(jjjjj) **Permitted Encumbrances** means:

(i) Encumbrances of mechanics, labourers, workmen, builders, contractors, suppliers of material or architects or other similar encumbrances incidental to construction, maintenance or repair operations which have either been registered or filed pursuant to Laws against a CSALP Entity or not yet registered or filed and which, in any such case, relate to obligations not due and payable as at the Closing Date;

(ii) statutory Encumbrances (including for Taxes) relating to obligations not due and payable as at the Closing Date;

(iii) Encumbrances for public utilities not due and payable as at the Closing Date;

(iv) any Encumbrance which does not material adversely affect the use by the CSALP Entities, or value, of the assets affected thereby; and

(v) the Encumbrances described in Schedule 1.1(jjjjj) of the Disclosure Letter.

(kkkkk) **Permitted Matter** has the meaning set forth in Section 4.2(a).

(lllll) **Person** means an individual, a partnership, a joint venture, an association, a corporation, a trust, a trustee, an executor, an administrator, a legal personal

representative, an estate, a limited liability company, a limited liability partnership, an unincorporated entity of any kind, a Governmental Entity or any other legal entity.

- (mmmmm) **Pre-Closing Cash Contribution Amount** means the aggregate amount of capital contributions made by Bombardier to CSALP pursuant to Section 4.2(b).
- (nnnnn) **Pre-Closing Period** means the period between the date hereof and the Effective Time.
- (ooooo) **Pre-Closing Reorganization** means the transactions set forth in the agreed form that are to occur prior to Closing.
- (ppppp) **Pre-Closing Tax Returns** has the meaning set forth in Section 4.12(a).
- (qqqqq) **QST** means Taxes imposed under An Act Respecting the Québec Sales Tax.
- (rrrrr) **RealCo** has the meaning set forth in the recitals hereto.
- (sssss) **Real Property Lease** means the leases, as amended from time to time, under which the lands of the Business Real Property are leased, which are more fully described in Schedule 1.1(sssss) of the Disclosure Letter.
- (ttttt) **Regulatory Approvals** means, collectively, the Competition Act Approval, the ICA Approval, the US Antitrust Authorization and the authorizations, consents, approvals, clearances and/or decisions not to investigate the transaction from Governmental Entities required or desired to be obtained with respect to the Closing Transactions under any Antitrust and Foreign Investment Law, in the agreed form of list of jurisdictions.
- (uuuuu) **Related Agreements** means, collectively, this Agreement, the Support Agreement, the Ancillary Agreements, the Commercial Agreements, [] and the documentation related to the Pre-Closing Reorganization.
- (vvvvv) **Related Party** means (i) Bombardier; (ii) any director, officer or Affiliate (other than the CSALP Entities) of Bombardier; or (iii) any Person not dealing at arm's length (as defined in the Tax Act) with Bombardier or the CSALP Entities.
- (wwwww) **Representative** means, with respect to any Person, any director, officer, employee, agent, manager, consultant, advisor, or other representative of such Person, including legal counsel, accountants, and financial advisors.
- (xxxxx) **Response Period** has the meaning set forth in Section 8.4.
- (yyyyy) **Restatement and Amendment Agreement** means the restatement and amendment agreement entered into as of the date hereof among Bombardier, CSALP, the Managing General Partner and Airbus S.A.S. related to the General Terms Agreement among Bombardier, CSALP and the Managing General Partner dated January 1, 2016 and the Specific Terms Agreement dated January 1, 2016 (Nose Fuselage), the Specific Terms Agreement dated June 30, 2016 (Aft Fuselage), the Specific Terms Agreement dated January 1, 2016 (Forward Fuselage), the Specific Terms Agreement dated January 1, 2016 (Doors), the Specific Terms Agreement dated June 30, 2016 (Doors), the Specific Terms Agreement dated June 30, 2016 (Outer Wings), the Specific Terms Agreement dated June 30, 2016 (Mid-Fuselage) and regarding the "Center Wing Box" work package.
- (zzzzz) **Rules** has the meaning set forth in Section 9.2(a).

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- (aaaaaa) **Separation Plan** has the meaning set forth in the Separation Requirements.
- (bbbbbb) **Separation Requirements** has the meaning set forth in in the agreed form Separation Requirements.
- (ccccc) **Shareholders Agreement** has the meaning set forth in Section 2.1(b)(v).
- (dddddd) **Shares** has the meaning set forth in the recitals hereto.
- (eeeeee) **Specified Indemnities** means the matters set forth in the agreed form of the list of specified indemnities.
- (fffff) **Specified Matters** means the matters set forth in the agreed form of the list of specified matters.
- (gggggg) **Specified Persons** means the Persons described in agreed form of the list of specified persons.
- (hhhhh) **SR-ED Activities** means certain research, development and certification activities carried out in Canada in respect of the Aircraft.
- (iiiiii) **Straddle Period** has the meaning set forth in Section 4.12(b).
- (jjjjjj) **Subscribed Unit Consideration** has the meaning set forth in Section 2.2.
- (kkkkkk) **Subscribed Units** means such number of Units determined using the following formula: 50.01% multiplied by the quotient of (i) the number of issued and outstanding Units immediately prior to the Effective Time divided by (ii) 49.99%.
- (lllll) **Subsidiary** means, in respect of a Person, any Person that it directly or through one or more intermediaries Controls.
- (mmmmm) **Supply Agreements** has the meaning set forth in Section 2.1(b)(xi).
- (nnnnn) **Support Agreement** means the support agreement *{convention de soutien}* dated the date of this Agreement entered into among Airbus and the IQ Entities.
- (ooooo) **Support and Services Agreements** means the Administrative Services and Support Agreement between Bombardier and CSALP, the Professional Services and Support Agreement between Bombardier and CSALP, and the Technical/Operational Services and Support Agreement between Bombardier and CSALP.
- (ppppp) **Tax Act** means the Income Tax Act (Canada).
- (qqqqq) **Taxes** means, with respect to any Person, all supranational, national, federal, provincial, state, local or other taxes, including income taxes, branch taxes, profits taxes, capital gains taxes, gross receipts taxes, windfall profits taxes, value added taxes, severance taxes, ad valorem taxes, property taxes, capital taxes, net worth taxes, production taxes, sales taxes, use taxes, license taxes, excise taxes, franchise taxes, environmental taxes, transfer taxes, withholding or similar taxes, payroll taxes, employment taxes, employer health taxes, pension plan premiums and contributions, social security premiums, workers' compensation premiums, employment insurance or compensation premiums, stamp taxes, occupation taxes, premium taxes, alternative or add-on minimum taxes, GST, QST, customs duties or other taxes of any kind whatsoever imposed or charged by any Governmental Entity or governmental or

regulatory authority, department, ministry or agency, together with any interest, penalties, or additions with respect thereto and any interest in respect of such additions or penalties.

(rrrrrr) **Termination of the Bombardier Guarantee** has the meaning set forth in Section 2.1(b)(viii).

(ssssss) **Third Party Claim** has the meaning set forth in Section 8.3(a).

(tttttt) **Third Party Leases** has the meaning set forth in Section 3.1(aa)(iii).

(uuuuuu) **Transfer Rights Agreement** has the meaning set forth in Section 2.1(b)(vii).

(vvvvvv) **Underlying Shares** has the meaning set forth in Section 2.1(b)(xiii).

(wwwwww) **Units** means common units in the capital of CSALP.

(xxxxxx) **US Antitrust Agencies** means the US Department of Justice (**DOJ**), the Federal Trade Commission (**FTC**), or any antitrust or law enforcement agency at the US state level.

(yyyyyy) **US Antitrust Authorization** means that (i) Airbus and/or the CSALP Entities shall have submitted a filing under the HSR Act to the US Antitrust Agencies, if such filing is required under the HSR Act, and the waiting period under the HSR Act shall have expired or been terminated; or (ii) if no HSR Act filing is required, then Airbus and/or the CSALP Entities shall have informed the DOJ and/or the FTC of the transactions contemplated by this Agreement, and (A) neither the DOJ nor FTC decides to initiate an investigation of the transactions contemplated by this Agreement, or (B) if either the DOJ or the FTC initiates an investigation, that authority shall have closed such investigation or decided not to initiate an investigation and shall have provided written evidence of same to the CSALP Entities, in a form acceptable to Airbus, acting reasonably.

(zzzzzz) **US Dollar Equivalent** means such amount of dollars of the United States of America determined using the daily average exchange rate published by the Bank of Canada for Canadian dollars on the Business Day immediately preceding the day on which such determination is required.

(aaaaaaa) **Warrant Certificate** has the meaning set forth in Section 2.1(b)(xiii).

(bbbbbbb) **Warrants** has the meaning set forth in Section 2.1(b)(xiii).

1.2 Currency

All references to currency herein are to money of the United States of America, unless otherwise specifically indicated (the **Contractual Currency**).

1.3 Knowledge

Where any representation or warranty contained in this Agreement is expressly qualified by reference to the knowledge of the CSALP Entities, it shall be deemed to refer to the actual knowledge of [

] in each case of Bombardier, and the [

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] in each case of CSALP, after reasonable internal inquiry with respect to the relevant matter; provided that this shall not require any such individual to (i) independently verify the accuracy or veracity of the books and records of any Person; (ii) obtain from any third party, including any Affiliate of Bombardier, any information not previously received from such third party or which would not otherwise be received from such third party in the Ordinary Course; or (iii) conduct any inquiry of any other employees of such individual's employer or Affiliates of such employer.

1.4 Accounting Terms

All accounting terms not specifically defined in this Agreement shall be interpreted in accordance with IFRS.

1.5 Legal Representation; No Presumption Against any Party

Each Party acknowledges that such Party has been represented by counsel in connection with the negotiation and execution of this Agreement and related matters, and that the terms of this Agreement and related matters have been negotiated by it. Any rule of Law or any legal decision that would require interpretation of any claimed ambiguities in this Agreement against the Party that drafted it (including the principle of *contra proferentum*) has no application and any such right is expressly waived by the Parties.

1.6 Gender and Number

In this Agreement, unless there is something in the subject matter or context inconsistent therewith: (i) words in the singular number include the plural and are to be construed as if the plural had been used and *vice versa*; and (ii) words importing the use of any gender include all genders where the context or party referred to so requires, and the rest of the sentence is to be construed as if the necessary grammatical changes had been made.

1.7 Headings, etc.

The inclusion of a table of contents, the division of this Agreement into Articles and Sections and the insertion of headings are for convenient reference only and are not to affect or be used in the construction or interpretation of this Agreement.

1.8 Calculation of Time and Related Matters

- (a) Unless otherwise specified, time periods within or following which any notice is to be given or act is to be done, shall be calculated by excluding the day on which the period commences and including the day on which the period ends, and by extending the period to the following Business Day if the last day of the period is not a Business Day.
- (b) Whenever any action is to be made or taken under this Agreement on a day other than a Business Day, such action shall be made or taken on the following Business Day.
- (c) All references to times of the day are to the times of the day in Montreal, Québec.

1.9 Certain Phrases

In this Agreement: (i) the words "including" and "includes" mean "including (or includes) without limitation"; (ii) the phrase "the aggregate of", "the total of", "the sum of", or a phrase of similar meaning means "the aggregate (or total or sum), without duplication, of".

1.10 Statutes

Any statute (including any specific provision) defined or referred to herein or in any agreement or instrument that is referred to herein means such statute (including any specific provision and in the case of a statute any regulations promulgated thereunder) as amended, restated, replaced, modified, qualified or supplemented as of the date of this Agreement, including by succession of comparable successor statutes and all attachments thereto and instruments incorporated therein.

1.11 References to the Disclosure Letter and Agreed Form of Documents

- (a) The purpose of the Disclosure Letter is to set out the qualifications, exceptions and other information called for in this Agreement. The Parties acknowledge and agree that the Disclosure Letter and the information and disclosures contained in it do not constitute or imply, and will not be construed as:
 - (i) any representation, warranty, covenant or agreement which is not expressly set out in this Agreement;
 - (ii) an admission of any liability of Bombardier or the CSALP Entities;
 - (iii) establishing a standard of materiality; or
 - (iv) an expansion of the scope or effect of any of the representations, warranties and covenants set out in this Agreement.
- (b) Disclosure of any information in the Disclosure Letter that is not strictly required under this Agreement has been made for information purposes only and does not imply disclosure of all matters of a similar nature. Inclusion of an item in any schedule of the Disclosure Letter as an exception to any particular representation or warranty is deemed to be an exception to each other representation and warranty provided, and to the extent that, it is apparent on its face that such item is relevant to such other representation or warranty.
- (c) The Disclosure Letter and the agreed form of documents mentioned herein form an integral part of this Agreement for all purposes of it.

1.12 Agreed Form Documents

- (a) References to a document in the **agreed form** means a document in a form which has been agreed by the Parties on or before the execution of this Agreement and exchanged between the relevant Parties for the purposes of identification (in each case with such amendments as may be agreed in writing by or on behalf of the relevant Parties).
- (b) To the extent that there are any square brackets or missing information in any of the agreed form documents referred to herein, each of the relevant Parties, each acting reasonably and in good faith, shall nominate or agree (as applicable) on such outstanding issues prior to the Closing Date.

1.13 CSALP Entities and Acquired Cancos

To the extent any covenant and obligation contained in this Agreement which needs to be complied with at or prior to the Closing relates to:

- (a) a CSALP Entity, each such provision shall be construed as a covenant by Bombardier and the Acquired Cancos to cause (to the fullest extent to which they are legally or

contractually capable) such CSALP Entity to fulfil, perform or comply with such covenant and obligation which needs to be complied with at or prior to the Closing; and

- (b) an Acquired Canco, each such provision shall be construed as a covenant by Bombardier to cause (to the fullest extent to which it is legally or contractually capable) such Acquired Canco to fulfil, perform or comply with such covenant and obligation which needs to be complied with at or prior to the Closing.

Article 2

CLOSING TRANSACTIONS

2.1 Closing Transactions

Subject to the terms and conditions of this Agreement, each of the Parties covenants and agrees to enter into, or cause its relevant Subsidiaries to enter into, the following transactions (collectively, the **Closing Transactions**):

- (a) no later than immediately prior to the Effective Time on the Closing Date, Bombardier, the Acquired Cancos, the CSALP Entities and the IQ Entities will complete, or cause to be completed, the Pre-Closing Reorganization to be completed prior to the Effective Time; and
- (b) as of the Effective Time on the Closing Date:

Subscription for Subscribed Units

- (i) Airbus shall subscribe to the Subscribed Units in consideration for the Subscribed Unit Consideration in accordance with Section 2.2;

Acquisition of Acquired Canco1 Shares

- (ii) immediately after (i) above, Airbus shall acquire from Bombardier all of the issued and outstanding shares of Canco1 (the **Acquired Canco1 Shares**), in consideration for the Acquired Canco1 Share Consideration in accordance with Section 2.3;

Acquisition of Acquired Canco2 Shares

- (iii) immediately after (i) above, Airbus shall acquire from Bombardier all of the issued and outstanding shares of Canco2 (the **Acquired Canco2 Shares**, and, together with the Acquired Canco1 Shares, the **Acquired Shares**), in consideration for the Acquired Canco2 Share Consideration in accordance with Section 2.4;

Acquisition of Acquired GP Shares

- (iv) Airbus shall acquire from Bombardier pursuant to this Agreement, and from IQ pursuant to the Support Agreement, 50.01% of the issued and outstanding Shares in consideration for the Acquired GP Share Consideration in accordance with Section 2.5;

Entering into of Governance Agreements

- (v) Airbus, Bombardier, IQ and the Managing General Partner shall enter into and deliver an amended and restated unanimous shareholders agreement in the

agreed form (the **Shareholders Agreement**), it being understood that the official version of the Shareholders Agreement shall be entered into in French;

- (vi) IQ Subco, the Managing General Partner, the Acquired Cancos and Bombardier shall enter into and deliver a third amended and restated limited partnership agreement in the agreed form (the **CSALP Agreement**), it being understood that the official version of the CSALP Agreement shall be entered into in French;
- (vii) The Acquired Cancos, the IQ Entities, CSALP and the Managing General Partner shall enter into and deliver an amended and restated transfer rights agreement in the agreed form (the **Transfer Rights Agreement**), it being understood that the official version of the Transfer Rights Agreement shall be entered into in French;

Termination of the Bombardier Guarantee

- (viii) Bombardier, the IQ Entities, CSALP and the Managing General Partner shall terminate without liability the *Cautionnement et Engagement* dated as of June 30, 2016 (the **Termination of the Bombardier Guarantee**);

Entering into of Commercial Agreements

- (ix) Airbus, Bombardier, CSALP and the Managing General Partner shall enter into:
 - (A) an agreement regarding sales and marketing support services to be rendered by Airbus or an Affiliate of Airbus;
 - (B) an agreement regarding strategic procurement services to be rendered by Airbus or an Affiliate of Airbus;
 - (C) an agreement regarding customer support services to be rendered by Airbus or an Affiliate of Airbus;

all consistent with the agreed form heads of terms of such agreements (collectively, the **Airbus Commercial Agreements**);

- (x) Airbus, Bombardier, CSALP and the Managing General Partner shall enter into:

- (A) [] perpetual non-exclusive non-transferable license with Bombardier for the use by Airbus, for any aircraft programs which are not competitive to Bombardier or CSALP, of all Intellectual Property Rights, software, data and know-how which are used or which may be used by or necessary to the CSALP Entities for the conduct of the Business; and
- (B) [] perpetual non-exclusive non-transferable license with CSALP for the use by Airbus, for any aircraft programs which are not competitive to Bombardier or CSALP, of all Intellectual Property Rights, software, data and know-how controlled by CSALP;

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all consistent with the agreed forms of the heads of terms of such agreements (collectively, the **Airbus IP Agreements**);

- (xi) Bombardier, CSALP and the Managing General Partner, as applicable, shall enter into agreements in form and substance acceptable to Airbus, acting reasonably, on the "Outstanding Items" as defined in the Restatement and Amendment Agreement (the **Supply Agreements**);

- (xii) Bombardier, CSALP, the Managing General Partner and RealCo, as applicable, shall also enter into the agreements or amended and restated agreements to be agreed to or modified in accordance with the Separation Requirements or the Separation Plan (such agreements, together with the Supply Agreements, the **Bombardier Commercial Agreements**, and such Bombardier Commercial Agreements as of the date of this Agreement, the **Existing Bombardier Commercial Agreements**).

Warrants

- (xiii) As consideration for entering into the Airbus Commercial Agreements, Bombardier shall issue to Airbus free and clear of any withholding warrants (the **Warrants**) in the agreed form (the **Warrant Certificate**) exercisable to acquire, subject to the terms of the Warrants, 100,000,000 Class B Shares (subordinate voting) (the **Class B Shares**) in the capital of Bombardier (the **Underlying Shares**) at an exercise price equal to the U.S. dollar equivalent of CA\$2.29 per share at any time until the fifth anniversary from the Closing Date.

2.2 Subscribed Units Consideration

The Subscribed Units shall be issued to Airbus in consideration for good and valuable consideration, including the agreements and undertakings set out in the Related Agreements and the entering into by Airbus (or its Affiliates) of the Airbus Commercial Agreements (the **Subscribed Unit Consideration**).

2.3 Acquired Canco1 Share Consideration

The Acquired Canco1 Shares shall be acquired by Airbus from Bombardier in consideration for the number of Units held by Canco1 (the **Acquired Canco1 Share Consideration**). At Closing, Airbus shall transfer and assign the Acquired Canco1 Share Consideration to Bombardier.

2.4 Acquired Canco2 Share Consideration

The Acquired Canco2 Shares shall be acquired by Airbus from Bombardier in consideration for the number of Units held by Canco2 (the **Acquired Canco2 Share Consideration**). At Closing, Airbus shall transfer and assign the Acquired Canco2 Share Consideration to Bombardier.

2.5 Acquired GP Share Consideration

The Acquired GP Shares shall be purchased by Airbus in consideration for \$1.00 per Acquired GP Share (the **Acquired GP Share Consideration**). At Closing, Airbus shall pay the Acquired GP Share Consideration to Bombardier by cheque or wire transfer of immediately available funds, as directed in writing by Bombardier.

2.6 Transfer of Units

Prior to the entering into of the CSALP Agreement and immediately after the transactions described in Sections 2.1(b)(ii) to 2.1(b)(iv) hereof, Airbus shall transfer all its Subscribed Units (excluding those transferred to Bombardier in accordance with Section 2.1) to Canco2.

2.7 Adjustments to Warrants

If and whenever at any time prior to the issuance of all of the Warrants to be issued pursuant to Section 2.1(b)(xiii), Bombardier shall take any of the actions described in subsections 1(d), 1(e), 1(f), 1(g) or 1(h) of the Warrant Certificate, the exercise price per Warrant, the number of

Underlying Shares to which Airbus is entitled upon exercise of the Warrants or any other applicable terms of the Warrants, as appropriate, shall be adjusted in the manner provided in the Warrant Certificate, on the same basis, *mutatis mutandis*, as if the Warrants had been issued immediately prior to or on the effective date or record date of such event.

Subject to TSX acceptance, to the extent required, if and whenever at any time prior to the issuance of all of the Warrants to be issued pursuant to this Section 2.7, Bombardier shall take any action affecting the Class B Shares other than an action described in subsection 1(d), 1(e), 1(f), 1(g) or 1(h) of the Warrant Certificate, which would materially affect the rights of Airbus, the exercise price per Warrant, the number of Underlying Shares to which Airbus is entitled upon exercise of the Warrants or any other applicable terms of the Warrants as appropriate, shall be adjusted in such manner as Bombardier by action of its directors determines to be equitable in the circumstances, acting reasonably and in good faith. Failure of the directors of Bombardier to take any such action shall be conclusive evidence that the directors have determined that it is equitable to make no adjustment in the circumstances.

2.8 Modifications to Pre-Closing Reorganization

The Parties agree that, from and after the date hereof through the Closing Date, Bombardier and Airbus may, with the prior written consent of each of Bombardier and Airbus (such consent not to be unreasonably withheld, delayed or conditioned), make modifications to the Pre-Closing Reorganization provided that, for greater certainty, it shall be reasonable to withhold said consent if such modifications would result in a negative impact (including a reduction in the Tax attributes of any Acquired Canco or CSALP Entities) on Bombardier, Airbus, the Acquired Cancos, the CSALP Entities or the Business.

Article 3 REPRESENTATIONS AND WARRANTIES

3.1 Representations and Warranties of the CSALP Entities

The CSALP Entities solidarily represent and warrant as follows to and in favour of Airbus and acknowledge and confirm that Airbus is relying upon such representations and warranties in entering into this Agreement and completing, or causing to be completed, the Closing Transactions to which it is a party:

- (a) **Incorporation, Corporate Power and Qualification.** Each of the CSALP Entities is duly and validly incorporated, amalgamated or formed and organized, in good standing and existing under the Laws of its jurisdiction of formation, each having the corporate or partnership power and authority, as the case may be, to own and operate property and carry on its business as currently conducted and as currently planned to be conducted in the three (3) year period after Closing. Each of the CSALP Entities is duly qualified, licensed or registered to carry on business in the jurisdictions in which the nature of its material assets or its business makes such qualification necessary or in which it owns or leases any material assets or conducts any material business. Each of the CSALP Entities has the corporate power and authority to enter into and perform its obligations under each of the Related Agreements to which it is a party. No resolution has been adopted providing for the dissolution or winding up of any of the CSALP Entities. There has been no formal request for the annulment or the dissolution of any of the CSALP Entities or for the appointment of a receiver or trustee or any similar person or entity to manage any of their affairs, nor has any petition been filed with any competent authority requesting the initiation of any restructuring or liquidation procedures with respect to any of the CSALP Entities. None of the CSALP Entities has been declared unable to meet its debts as they fall due, and there is no valid basis currently existing upon which it could be

reasonably expected that a third party could require the dissolution or winding up of any of the CSALP Entities.

- (b) **Validity of Agreement.** Subject to obtaining the Authorizations and Consents disclosed in Schedule 3.1(d) and Schedule 3.1(e) of the Disclosure Letter, the execution, delivery and performance by the CSALP Entities of the Related Agreements to which it is a party and the completion of the Closing Transactions:

- (i) has been, or will be when entered into, as applicable, duly authorized by all necessary corporate action on the part of the CSALP Entities;
- (ii) does not (or would not with the giving of notice, the lapse of time, or both, or the happening of any other event or condition) result in a breach or a violation of, or conflict with, any of the terms or provisions of any Constating Records of any of the CSALP Entities;
- (iii) will not result in a breach of, or cause the termination or revocation of, any material Authorization held by any CSALP Entity;
- (iv) will not result in a breach of, violation of, or default under a Material Contract or give rise to any termination rights by a third party or payment obligation by any CSALP Entity pursuant to the terms of a Material Contract;
- (v) will not result in the creation or imposition of any Encumbrance upon the assets of the Business; and
- (vi) will not result in the violation of any Law applicable to such Person, other than the failure to make or obtain such filings, notifications and Authorizations which, if they are not made or obtained, would not impede or restrict in any material respects the ability of the CSALP Entities to operate the Business after Closing.

- (c) **Execution and Binding Obligation.** The Related Agreements to which each of the CSALP Entities is a party have been (or will be at the time of execution and delivery) duly executed and delivered by each of the CSALP Entities and constitute (or will constitute upon such execution) legal, valid and binding obligations of each of the CSALP Entities enforceable against it in accordance with their respective terms subject only to any limitation on enforcement under applicable Laws relating to: (i) bankruptcy, winding-up, insolvency, arrangement and other similar Laws of general application affecting the enforcement of creditors' rights; and (ii) the discretion that a court may exercise in the granting of extraordinary remedies such as specific performance and injunction.

- (d) **Required Authorizations.** There is no requirement for any CSALP Entity to make any filing with, give any notice to, or obtain any material Authorization of, any Governmental Entity as a result of, or in connection with, or as a condition to the lawful completion of, the Closing Transactions, except for the filings, notifications and Authorizations set out in Schedule 3.1(d) of the Disclosure Letter and the Regulatory Approvals. All material Authorizations that are required to operate the Business are held or will be held at Closing by the relevant CSALP Entity and such Authorizations are valid, in full force and effect and in good standing.

- (e) **Required Consents.** There is no requirement for any CSALP Entity to obtain any Consent of any Person who is a party to a Material Contract binding on or affecting any CSALP Entity, and no modification, acceleration or termination of the rights or obligations thereunder will be effectuated, as a result of, or in connection with (including as a result of the exercise of a corresponding right), or as a condition to the lawful completion of, the Closing Transactions, except for, and subject to obtaining the Consents set out in

Schedule 3.1(e) of the Disclosure Letter. Notices of the Carve-Out Transactions have been sent to all customers and suppliers of the Business that were party to "Material Contracts" (as defined in the IQ Subscription Agreement), except to customers that are (i) under default pursuant to the terms of their purchase agreement or (ii) re-negotiating the terms thereof.

- (f) **Litigation Relating to the Transaction.** As of the date hereof, there is no proceeding, action, arbitration, suit, appeal or hearing before any Governmental Entity or Order pending or, to the knowledge of the CSALP Entities, threatened, to which any CSALP Entity is a party and which, if determined adversely against any CSALP Entity, would enjoin, restrict or prohibit the Closing Transactions as contemplated by this Agreement or prevent any CSALP Entity from fulfilling any of its obligations set out in or arising from the Related Agreements or the Closing Transactions.
- (g) **Title to Acquired Securities.** Immediately after the Closing: (i) Airbus and Bombardier will be the only registered holders of the Subscribed Units; (ii) Airbus will be the sole registered holder of the Acquired GP Shares; and (iii) subject to the payment of the Subscribed Unit Consideration, the Subscribed Units shall be duly issued and outstanding in accordance with all applicable Laws as fully paid and non-assessable and will be registered in the name of Airbus.
- (h) **No Other Agreements to Acquire.** Except under this Agreement, under the Original Ancillary Agreements until Closing or under the CSALP Agreement, the Transfer Rights Agreement and the Shareholders Agreement, when executed, no Person has any written or oral agreement, option or warrant, or any right or privilege (whether by Law, pre-emptive or contractual) capable of becoming such for the purchase, subscription, allotment or issuance of any of the unissued shares or other securities of the CSALP Entities, or a Claim against the issued and outstanding shares or securities of the CSALP Entities.
- (i) **Capitalization.** Schedule 3.1(i) of the Disclosure Letter contains for each of the CSALP Entities the authorized as well as the issued and outstanding share capital, securities or other ownership interests (together with the holders thereof). All such securities and ownership interests have been duly authorized, validly issued in compliance with all applicable Laws, including securities Laws, fully paid and non-assessable (subject to the payments described in Section 2.1), and, in the case of the Managing General Partner, there are no securities issued and outstanding other than the Shares. All the issued and outstanding securities of (i) CSALP and the Managing General Partner are owned and will be owned until immediately prior to the Closing, directly or indirectly by the Managing General Partner, Bombardier, IQ, the Acquired Cancos and IQ Subco, free and clear of all Encumbrances; and (ii) RealCo are owned and will be owned until immediately prior to the Closing directly by the Managing General Partner, free and clear of all Encumbrances.
- (j) **Constating Records.** The Constating Records of each of the CSALP Entities are complete and accurate, and are maintained in accordance with all applicable Laws and contain copies of all Constating Records passed by the respective shareholders and directors of each of the CSALP Entities since the date of their incorporation. Complete and accurate copies of the Constating Records of each of the CSALP Entities which reflect all amendments made thereto have been made available to Airbus.
- (k) **Material Contracts.**
 - (i) Schedule 3.1(k) of the Disclosure Letter sets forth a complete and accurate list of the Material Contracts. Complete and accurate copies of the Material Contracts

(and written summaries setting forth the terms and conditions of each verbal Material Contract, if any) have been made available to Airbus.

- (ii) Except as set forth in Schedule 3.1(k) of the Disclosure Letter, none of the CSALP Entities nor, to the knowledge of the CSALP Entities, any other party to those Material Contracts is in default in the observance or performance of any term or obligation to be performed by it under any Material Contract, and no event has occurred or, to the knowledge of the CSALP Entities as regards a CSALP Entity default, has been threatened which, with notice or lapse of time or both, would constitute such a default.
- (iii) Each Material Contract is a legal, valid and binding obligation of each party thereto, enforceable by or against each such Person in accordance with its terms, and is in full force and effect, and (subject to meeting or obtaining all Consents set out in Schedule 3.1(e) of the Disclosure Letter in and any modifications resulting therefrom) will be in full force and effect on identical terms immediately following the Closing, subject to bankruptcy, insolvency and other similar Laws affecting creditors' rights generally and assuming the due authorization, execution and delivery of each such Material Contract by the parties thereto that are not CSALP Entities.
- (iv) Except as provided in Schedule 3.1(k) of the Disclosure Letter, no written notice of termination of a Material Contract has been received or served by any of Bombardier or the CSALP Entities, and to the knowledge of the CSALP Entities, there are no grounds for termination, rescission, avoidance or repudiation of any such Material Contract other than for a default disclosed in Schedule 3.1(k) of the Disclosure Letter.
- (v) No Claim for indemnification has been made under the 2016 Contribution Agreement nor the IQ Subscription Agreement and to the knowledge of the CSALP Entities, there are no grounds for any such Claims for indemnification to be made.

(l) **Major Suppliers and Customers.**

- (i) Schedule 3.1(l) of the Disclosure Letter contains a complete and accurate list of (i) Major Suppliers; (ii) customers of the Business who have entered into an aircraft purchase agreement by which a CSALP Entity is bound (each a **Customer**); and (iii) prospective customers of the Business which have entered into a letter of intent by which a CSALP Entity is bound (in this Section 3.1(l), each a **Prospective Customer**).
- (ii) To the knowledge of the CSALP Entities, except for the Customers or Major Suppliers who are in default under their Contract as described in Schedule 3.1(k) of the Disclosure Letter (in respect of Section 3.1(k)(ii)), (i) the CSALP Entities have not received a request by a Customer to terminate or modify the terms of its aircraft purchase agreement with the CSALP Entities in a way that would reduce the price paid or the number of aircraft to be delivered under such agreement or that would postpone the delivery thereof; (ii) the CSALP Entities have not been notified by a Prospective Customers of its request to terminate the letter of intent it has entered into with the CSALP Entities; and (iii) the CSALP Entities have not been notified by a Major Supplier of its request to modify the terms of its Contract with the CSALP Entities in a way that would cause a material increase in the unit cost of the Aircraft.

- (m) **Conduct of Business.** Except as set forth in Schedule 3.1(m) of the Disclosure Letter, subsequent to the date as of which information is given in the Balance Sheet and except for the Pre-Closing Reorganization and the Specified Matters, the CSALP Entities have conducted the Business only in the Ordinary Course and there has not occurred:
- (i) a Material Adverse Change or any material damage, destruction or loss to the assets of the Business, whether covered by insurance or not;
 - (ii) any material increase in or modification of any compensation, bonus, pension, insurance or benefit (including change of control payment) arrangement or any granting of severance or termination notice or pay to, for or with any of the directors or officers of the CSALP Entities or the Employees;
 - (iii) any material negotiation, material amendment or termination of union recognition agreement, collective agreement or similar material agreement with any trade union or representative body in respect of the Business or the Employees;
 - (iv) any material acquisition, lease, sale, Encumbrance or other disposition of property or assets of the Business, other than in the Ordinary Course and for Permitted Encumbrances;
 - (v) any failure to pay or otherwise satisfy any accounts payable, liabilities or obligations of the Business when due and payable that will result in the cancellation of a Material Contract or in a Material Adverse Change, or any material alteration of the practices relating to the payment and collection of accounts payable and/or accounts receivable of the Business;
 - (vi) any incurrence, increase, creation, assumption or guarantee by the CSALP Entities of any debt for borrowed money;
 - (vii) any entering into, amendment, or relinquishment, termination or non-renewal by any CSALP Entity of any Material Contract;
 - (viii) any waiver, cancellation, compromise or settlement of any material Claim or rights other than in the Ordinary Course of business;
 - (ix) any cancellation or reduction of the insurance coverage of any CSALP Entity;
 - (x) any material labour dispute or charge of unfair labour practice involving any CSALP Entity;
 - (xi) any loss of any of the Customers or Major Suppliers;
 - (xii) any material shortage or any cessation or interruption of supplies or services by any Major Supplier;
 - (xiii) any amendment to the Constatting Records or capital structure of any CSALP Entity;
 - (xiv) except as required by Law, any change in any method of accounting or auditing practice of any CSALP Entity;
 - (xv) any change in the pricing or warranty policies and practices of the Business; or
 - (xvi) any agreement or commitment to do any of the foregoing.

- (n) **Compliance with Laws.** Other than as set forth in Schedule 3.1(n) of the Disclosure Letter, the Business is in compliance, and since January 1, 2013 has been in compliance, in all material respects with all applicable Laws (including Environmental Laws and those relating in whole or in part to health and safety). None of the CSALP Entities has received any written notice of any violation under or non-compliance with any applicable Law which has not been remedied. There is no legislation, regulation, by-law or other lawful requirement material to the Business, currently in force or proposed to be brought into force by any Governmental Entity, with which the Business will be unable to comply.
- (o) **Investigations.** To the knowledge of the CSALP Entities, no material governmental, administrative, regulatory or other investigation or inquiry by a Governmental Entity concerning the Business or the CSALP Entities is in progress or pending other than Tax audits occurring in the Ordinary Course and other than Specified Matters.
- (p) **Absence of Questionable Payments.** No CSALP Entity, and to the knowledge of the CSALP Entities, no director, officer, employee, agent, sales representative, distributor or other Person acting on behalf of any CSALP Entity, has, and no such Person is currently being investigated for having, directly or indirectly, offered, promised, made or authorized, or agreed to offer, promise, make or authorize unlawful contributions, payments, gifts, entertainment or made unlawful expenditures relating to domestic or foreign Governmental Entities, government officials or others. To the knowledge of the CSALP Entities, no current or former director, officer, employee, agent, sales representative, distributor or other Person acting on behalf of any CSALP Entity has accepted or received any unlawful contributions, payments, gifts, entertainment or expenditures. To the knowledge of the CSALP Entities, the only compensation offered, promised or to be paid to sales intermediaries of the Business is as set forth in Schedule 3.1(p) of the Disclosure Letter. The CSALP Entities have at all times complied with and are in compliance with all applicable provisions of the Corruption of Foreign Public Officials Act, the Proceeds of Crime (Money Laundering) and Terrorist Financing Act (Canada), the Foreign Corrupt Practices Act of 1977, as amended, Title 18 United States Code Section 1956 and 1957 (U.S.), the Bribery Act 2010 (United Kingdom) and applicable Laws relating to prevention of corrupt practices in similar matters under the *Criminal Code* (Canada) and any similar legislation in foreign jurisdictions as well as applicable anti-money laundering in foreign jurisdictions. None of the CSALP Entities is ineligible to tender for any Contract or business with, or be awarded any contract or business by, any Governmental Entity, or to tender for or perform any sub-contracting work under a Contract with any Governmental Entity.
- (q) **Title to Assets.** The CSALP Entities are the sole owner of, and have a good and valid title to or (in the case of property held under a lease) an enforceable lease with respect to or (in the case of property held under other Contract) an enforceable interest in or right to use, all of the assets (including the Owned Property) used or held for use by same in the operation of the Business, in each case free and clear of all Encumbrances other than Permitted Encumbrances, and excluding any Intellectual Property, for which the sole representations made in that respect are set forth in Section 3.1(t). Without limiting the generality of the foregoing, RealCo owns the Building as superfiary under valid superficies. No Person has any written or oral agreement, option or any right or privilege (whether by Law, pre-emptive or contractual) to acquire any of the assets used in the operation of the Business.
- (r) **Sufficiency of Assets.** The assets, properties and rights of the CSALP Entities, including the Owned Property and the assets and rights to be granted, transferred, licensed or leased to the CSALP Entities under the Commercial Agreements, constitute all of the assets and rights used in the operation of the Business, and are adequate and sufficient to operate the Business immediately following the Closing in the same manner as currently carried on and, in all material respects, as currently planned to be conducted

in the three (3) year period after Closing subject to making the investments in the Business contemplated at the date hereof.

- (s) **Condition of Assets.** Each item of tangible property held by the CSALP Entities (including the Owned Property) for use by same in the operation of the Business is in good operating condition and repair, ordinary wear and tear excepted, and is suitable and adequate for the purpose for which it is being used and, subject to ordinary wear and tear, as currently planned to be used in the three (3) year period after Closing.
- (t) **Intellectual Property.**
 - (i) Schedule 3.1(t) of the Disclosure Letter contains a complete and accurate list of (A) all registered Intellectual Property relating to the Business that is owned as at the date hereof by Bombardier or the CSALP Entities, whether or not related exclusively to the Business; (B) all pending applications for Intellectual Property relating to the Business, whether or not related exclusively to the Business; (C) all domain names and social media identifiers that are owned by Bombardier or the CSALP Entities in connection with the Business, whether or not related exclusively to the Business; and (D) all trade-marks and trade names used or owned by the CSALP Entities that have not been registered or applied for. The CSALP Entities and Bombardier currently own, and after Closing the CSALP Entities and Bombardier will own, the Intellectual Property listed in Schedule 3.1(t) of the Disclosure Letter free and clear of all Encumbrances, other than Permitted Encumbrances.
 - (ii) Schedule 3.1(t) of the Disclosure Letter lists all license agreements entered into by the CSALP Entities (the **Business License Agreements**). All such Business License Agreements are valid, in full force and effect, and no default exists on the part of the CSALP Entities or, to the knowledge of the CSALP Entities, of any other party thereto. The CSALP Entities will be entitled, upon completion of the transactions contemplated in the Related Agreements, to the full benefit of such Business License Agreements.
 - (iii) To the knowledge of the CSALP Entities, each item of registered or applied for Intellectual Property listed in Schedule 3.1(t) of the Disclosure Letter (i) is validly existing, subsisting and in full force and effect; (ii) is not subject to cancellation for failure to use or unauthorized use by third parties; (iii) was validly registered or issued or, in the case of an application, was applied for in compliance with applicable Law; and (iv) will remain valid, subsisting and in full force and effect on identical terms immediately following Closing.
 - (iv) Except for the Intellectual Property Rights licensed pursuant to the Business License Agreements disclosed in Schedule 3.1(t) of the Disclosure Letter, the CSALP Entities are collectively or individually the sole owner of, and have rights to, all Intellectual Property Rights used in or exploited by the Business, in each case free and clear of all Encumbrances other than Permitted Encumbrances. The Intellectual Property Rights owned by or licensed to the CSALP Entities constitute all Intellectual Property Rights used in the operation of the Business, and are sufficient to operate the Business immediately following the Closing in the same manner as currently carried on and, in all material respects, as currently planned to be conducted in the three (3) year period after Closing.
 - (v) To the knowledge of the CSALP Entities, there is no basis for any Claims of adverse ownership regarding each item of Intellectual Property listed in Schedule 3.1(t) of the Disclosure Letter.

- (vi) Except as indicated in Schedule 3.1(t) of the Disclosure Letter, to the knowledge of the CSALP Entities, the conduct of the Business as conducted or intended to be conducted immediately prior to and after the Closing: (i) has not and does not breach, violate, infringe or interfere with any Intellectual Property Rights of any third party or require payment for the use of any Intellectual Property of any third party; and (ii) has not constituted and does not constitute a breach of confidence, passing off or actionable act of unfair competition or other illegal acts in connection with the Intellectual Property owned as at the date hereof by Bombardier or the CSALP Entities, whether or not related exclusively to the Business, or the Intellectual Property Rights of a third party.
- (vii) Except as indicated in Schedule 3.1(t) of the Disclosure Letter: (i) no other Person has the right to use any Intellectual Property owned by the CSALP Entities or owned by Bombardier and used in the Business, save license agreements granted in the Ordinary Course on terms and conditions consistent with industry practices; and (ii) no Business IP Entity has granted any license or other rights to any other Person with respect to its Intellectual Property that is used in the Business, save pursuant to license agreements granted in the Ordinary Course on terms and conditions consistent with industry practices.
- (viii) All Employees of the Business IP Entities who have had access to confidential or proprietary information of the Business or the Business IP Entities owed a legal obligation of confidentiality to such Business IP Entities with respect to such information. To the knowledge of the CSALP Entities, there has been no material unauthorized disclosure of Intellectual Property such as to prevent a Business IP Entity or a successor of a Business IP Entity from obtaining or enforcing any right that it could otherwise have obtained or enforced with respect to such Intellectual Property. To the knowledge of the CSALP Entities, all of the Intellectual Property developed by the Business IP Entities or on their behalf is and has been developed by Employees, independent contractors and suppliers of the Business IP Entities during the time they were employed or engaged by the Business IP Entities, in each case without violation or contravention of any rights of any former employer or customer. Subject to and in compliance with applicable Laws, each current and former Employee and independent contractor of the Business IP Entities has assigned to the relevant Business IP Entities all Intellectual Property Rights conceived or reduced to practice during the course of such Employee's or independent contractor's employment or engagement with the Business IP Entities related to the patents and patent applications described in Schedule 3.1(t) of the Disclosure Letter. To the knowledge of the CSALP Entities, subject to and in compliance with applicable Laws, no current or former officer, Employee or independent contractor of any Business IP Entities owns or has claimed an ownership interest in any of the Intellectual Property of the Business IP Entities, nor has any right to a royalty or other consideration as a result of its marketing, licensing or assignment.
- (ix) Except as set out in Schedule 3.1(t) of the Disclosure Letter, no Governmental Entity has funded or contributed to the development of Intellectual Property of Bombardier or any CSALP Entity so as to grant this authority or institution a right of ownership or a property interest in this Intellectual Property or a right to control, limit or require any payment in connection with the exercise of the activities of the Business or the assignment of the Intellectual Property of Bombardier or the CSALP Entities.
- (x) To the knowledge of the CSALP Entities, the Intellectual Property for which applications for registrations of Intellectual Property Rights have been filed, by or on behalf of any of the CSALP Entities, in any jurisdiction, has been duly applied

for or registered and maintained in all appropriate offices to preserve the rights of the CSALP Entity thereto, except where the CSALP Entities reasonably considered that it was no longer required to maintain such applications or registrations in such jurisdiction.

- (xi) Except as set out in Schedule 3.1(t) of the Disclosure Letter, no Claim has been made by any material supplier of the Business to cease to supply, suspend the supply of or otherwise discontinue (including by notifying the non-renewal of a supply agreement) the supply of material, components or technologies of all or part of the Intellectual Property or Intellectual Property Rights which are owned or controlled solely by the supplier. In the event that a supplier has made such a Claim, the CSALP Entities will be able to define a reasonable remedial plan in order to avoid interruptions or delays in the supply of customers of the Business.

(u) **Computer Systems and Software.**

- (i) The computer systems and software of the CSALP Entities or made available to the CSALP Entities (including under the Commercial Agreements), including servers, personal computers and special purpose systems, websites, databases, telecommunications equipment and facilities and other information technology systems, are operational in all material respects and are adequate for the current needs of the Business. The CSALP Entities have, in all material respects, obtained and held at all times all necessary rights from third parties to enable them to make use of the said computer systems and software.
- (ii) The CSALP Entities have established and are in compliance with administrative, technical and physical safeguards designed to safeguard against unauthorized access and to ensure the security, confidentiality, and integrity of the data and other information used by, necessary for or otherwise material to the Business (collectively, **Business Data**) contained in the computer systems or any databases of the CSALP Entities (collectively, **IT Systems**).
- (iii) There have been no unauthorized intrusions into the IT Systems, and there has been no material breach or violation of any IT System and there has been no unauthorized or illegal use of or access to any Business Data.

- (v) **Data protection.** Each CSALP Entity has complied in all material respects with the requirements of all applicable Laws concerning rights in respect of privacy, personal data and electronic messaging, including Laws pertaining to the transmission of spam or other unsolicited communications.

- (w) **Balance Sheet and Books and Records.** The Balance Sheet has been prepared in accordance with IFRS applied on a basis consistent with the financial statements of the CSALP Entities as of the same date, and presents fairly, in all material respects, the assets and liabilities of the Business as of the date thereof. A true, correct and complete copy of the Balance Sheet has been made available to Airbus. The accounting books and records of the Business have been maintained in accordance with applicable Laws and good business practices.

- (x) **No Undisclosed Liabilities.** Other than as disclosed in the Balance Sheet or as set forth in Schedule 3.1(x) of the Disclosure Letter, (i) there are no off-balance sheet transactions, arrangements, obligations (including contingent obligations) or other relationships of the CSALP Entities with unconsolidated entities or other Persons that would reasonably be expected to have a Material Adverse Effect; and (ii) none of the CSALP Entities has any obligations or liabilities of any nature, whether direct or indirect, accrued or unaccrued, asserted or unasserted, fixed or contingent, liquidated or

unliquidated, mature or inchoate, due or to become due, known or unknown, in each case of the type required to be reflected as liabilities in a balance sheet prepared in accordance with IFRS, other than (A) those set forth and adequately provided for or reserved against in the Balance Sheet; (B) those incurred in the Ordinary Course since the date of the Balance Sheet and consistent with past practice; or (C) as disclosed in or required by this Agreement, including as provided for, or as a result of, in connection with, arising from, or with respect to the Pre-Closing Reorganization.

(y) **Transactions with Related Parties.** No Related Party is engaged in any transaction or arrangement with or is a party to a Contract with, or has any material indebtedness, liability, obligation or right with respect to any of the CSALP Entities (whether or not under a written Contract), except in each case as set forth in Schedule 3.1(y) of the Disclosure Letter or as provided in or contemplated by the Pre-Closing Reorganization and Carve-Out Transaction.

(z) **Environmental Matters.**

(i) Other than as set forth in Schedule 3.1(z) of the Disclosure Letter, the CSALP Entities are not currently the subject of a written Claim or an Order with respect to a breach or alleged breach of Environmental Laws, nor does the CSALP Entities have any knowledge of any circumstances that could result in the issuance of any such written Claim or Order in respect of any Environmental Laws. Other than as set forth in Schedule 3.1(z) of the Disclosure Letter, none of the CSALP Entities nor, to the knowledge of the CSALP Entities, their respective directors or officers has been convicted of an offense for non-compliance with Environmental Laws, been fined or received a penalty for non-compliance with Environmental Laws which has not been settled or remedied or settled a lawsuit relating to non-compliance with Environmental Laws.

(ii) Other than as set forth in Schedule 3.1(z) of the Disclosure Letter, in the past five (5) years, the CSALP Entities have not caused or permitted any release of an Environmentally Hazardous Substance at, on, or from the Business Real Property (i) in violation of any Environmental Law and (ii) that could result in material liability to any CSALP Entity. No CSALP Entities has transported, removed or disposed of any Environmentally Hazardous Substance outside of Canada or to a location that is not duly authorized by the appropriate Governmental Entity to receive such Environmentally Hazardous Substances.

(iii) Other than as set forth in Schedule 3.1(z) of the Disclosure Letter, none of the CSALP Entities has been required by any Governmental Entity to (i) alter the Business Real Property in order to be in compliance with Environmental Laws; (ii) file any notice with any Governmental Entity relating to any potential or actual contamination of the Business Real Property; or (iii) conduct a cessation of activities, a change of use, a closure, an environmental rehabilitation or an environmental remediation of the Business Real Property.

(aa) **Business Real Property.**

(i) The Real Property Lease, including all amendments, modifications, notices or memoranda of lease, all estoppel certificates or subordinations, non-disturbance and attornment agreements, if any, is described in Schedule 3.1(aa) of the Disclosure Letter. A complete and accurate copy of the Real Property Lease has been made available to Airbus.

(ii) Except as set forth in Schedule 3.1(aa) of the Disclosure Letter, and for Permitted Encumbrances, a CSALP Entity is the absolute beneficial owner of and

has good and marketable title to, the Owned Property, free and clear of all Encumbrances.

- (iii) Except for the leases set forth in Schedule 3.1(aa) of the Disclosure Letter (the **Third Party Leases**), (i) the CSALP Entities are not party to any lease or sub-lease as lessor or sub-lessor; and (ii) there are no Contracts granting to any other Person the right of use or occupancy of the Business Real Property (or any portion thereof), and there is no other Person in possession of all or any portion of the Business Real Property.
- (iv) The Real Property Lease (or a notice in respect thereof) has been properly recorded in the appropriate recorder's office.
- (v) Except as set forth in Schedule 3.1(aa) of the Disclosure Letter, all rental to be paid and other payments required to be made pursuant to the Real Property Lease and the Third Party Leases have been duly paid or made to date, and the relevant CSALP Entity is not in default in meeting its obligations under the Real Property Lease and the Third Party Leases. To the knowledge of the CSALP Entities, the lessor under the Real Property Lease and the tenants under the Third Party Leases are not in default in meeting any of their obligations thereunder. To the knowledge of the CSALP Entities, no situation exists which, by reason of the passage of time or the giving of notice, or both, would constitute a default by any party to the Real Property Lease or the Third Party Leases.
- (vi) The present use of, and operations conducted at, the Business Real Property is permitted under the terms of the Real Property Lease.
- (vii) The Real Property Lease and the Owned Property constitute all of the real and immovable property interests held for use, or used, by the Business and the CSALP Entities.
- (viii) None of the facilities currently existing on the Business Real Property encroaches upon, and any facilities under construction on the Business Real Property will not encroach upon, the real or immovable property of any other Person except for Permitted Encumbrances. Except for Permitted Encumbrances, no facility of any other Person encroaches upon the Business Real Property. Each facility currently existing on the Business Real Property is supplied with utilities and other services (including gas, electricity, water, drainage, sanitary sewer, storm sewer, fire protection and telephone) necessary for the operation of such facility as the same is currently operated and as currently planned to be operated in the three (3) year period after Closing. Each parcel of Business Real Property has a valid and enforceable right to access by Persons or vehicles to a public road.
- (ix) Except as disclosed in Schedule 3.1(aa) of the Disclosure Letter, there is no pending or, to the knowledge of the CSALP Entities, written threat of, eminent domain taking, expropriation, condemnation or similar proceeding affecting the Business Real Property.
- (x) Except as disclosed in Schedule 3.1(aa) of the Disclosure Letter or pursuant to the Third Party Leases, no business or operations are conducted at or on the Business Real Property other than those of the CSALP Entities.
- (xi) Complete and accurate copies of all certificates of location, surveys, title, opinion or report and title insurance, if any, which relate, in whole or in part, to the Owned Property have been made available to Airbus.

(bb) **Employee Matters.**

- (i) Schedule 3.1(bb) of the Disclosure Letter contains a complete and accurate list of all Employees, whether actively at work or not, providing, for each such Employee (on a no-name basis), his/her id number, work location, title and status as being actively at work or on lay-off, and, providing, for each non-unionized Employee earning annual wages of \$100,000 or more, his/her date of hire, salary, active or inactive status (and where inactive, the type of leave).
- (ii) Except as set forth in Schedule 3.1(bb) of the Disclosure Letter, all amounts due or accrued for vacation pay, wages, salaries, bonuses, incentive payments, overtime pay, deferred compensation, commissions, payments in lieu of notice of termination of employment, pension and benefits or other employee benefits, including under the Employee Plans, or any assessments, adjustments, liens, charges, surcharges, penalties or fines under applicable occupational health and safety (**OHSA**) Laws, in each case in respect of the Business, the CSALP Entities or the Employees, have been paid, or if unpaid, are reflected in the Balance Sheet (as at the time the Balance Sheet was prepared), and there is no fact that indicates that such accruals reflected in the Balance Sheet are understated.
- (iii) Each independent contractor providing services in respect of the Business has been properly classified by the CSALP Entities as an independent contractor and the CSALP Entities have not received any notice from any Governmental Entity disputing such classification.
- (iv) Except as set forth in Schedule 3.1(bb) of the Disclosure Letter, there are no written individual employment Contracts entered into with any Employee and no commitments to modifying any written employment Contracts;
- (v) Except as set forth in Schedule 3.1(bb) of the Disclosure Letter, there are (i) no agreements or understandings with any Employee or policies with respect to any change of control, retention payment, severance, golden parachute, notice of termination of employment, pay in lieu of notice, or termination payment; and (ii) no management agreements, retention bonuses, employment contracts, change of control agreements or any other agreements, policies or collective agreement providing any Employees or unions with cash or other compensation or benefits (or the option to receive same) triggered by the consummation of the transactions contemplated in this Agreement.
- (vi) Except as set forth in Schedule 3.1(bb) of the Disclosure Letter, to the knowledge of the CSALP Entities, no officers or executive Employees of any CSALP Entity, as at the date hereof, have indicated in writing their intention to terminate their employment.
- (vii) No collective agreement limits or restricts the ability of Bombardier or the CSALP Entities to proceed with the transactions contemplated herein or requires union consent to, or prior notice to any union of, or any other action with respect to, such transactions.
- (viii) Complete and current copies of the Collective Agreements have been provided to Airbus. Other than the Collective Agreements, no other collective agreement applies in respect of the Business, the CSALP Entities or the Employees. Except as set forth in Schedule 3.1(bb) of the Disclosure Letter, no collective agreement is currently being negotiated in respect of the Business and no trade union, council of trade unions, employee bargaining agency or affiliated bargaining

agent holds bargaining rights with respect to the Business, the CSALP Entities or any Employees by way of certification, interim certification, voluntary recognition, or successor rights, or has applied or, to the knowledge of the CSALP Entities, threatened to apply to be certified as the bargaining agent of any of the Employees. Except as set forth in Schedule 3.1(bb) of the Disclosure Letter, (i) there are no outstanding material arbitration awards, labour grievances, arbitration proceedings or other proceedings under any Collective Agreement, (ii) none of the CSALP Entities has committed any material breach of any Collective Agreement, (iii) Bombardier and the CSALP Entities have not engaged in any unfair labour practices in respect of the Business, and (iv) there currently are not, nor has there been during the last five (5) years, any strikes, lock-outs or other labour conflicts, or, to the knowledge of the CSALP Entities, attempts or threatened attempts to organize or establish any trade union or employee association, in each case with respect to the Business. Except as set forth in Schedule 3.1(bb) of the Disclosure Letter, there are no written or oral agreements or courses of conduct which modify any Collective Agreement.

- (ix) For the past five (5) years, except as set forth in Schedule 3.1(bb) of the Disclosure Letter, no CSALP Entity has breached any of its material obligations under applicable individual employment or service Contracts, Collective Agreement, employee or human resources personnel policies, handbooks or manuals relating to the Business, any severance, separation, retention or termination arrangements, policies or Contracts, codes of conduct or practice, customs and practices.
- (x) Bombardier and the CSALP Entities have complied, in all material respects, with the terms and conditions of the 2016 Contribution Agreement entered into between Bombardier and CSALP on June 30, 2016, in relation to employment and labour matters, as well as the terms and conditions of the Memorandum respecting Unionized Employees entered into further to the 2016 Contribution Agreement (the **Memorandum**). Without limiting the generality of the foregoing, all amounts owed under the Contribution Agreement (in relation to employment and labour matters) and the Memorandum with respect to employees of either party thereto, have been paid or if unpaid are reflected in the Balance Sheet (as at the time the Balance Sheet was prepared), and there is no fact that indicates that such amounts reflected in the Balance Sheet are understated.
- (xi) Complete copies of all Orders, inspections reports, derogations, or notices of infraction under OHSA Laws in respect of the CSALP Entities, the Business or the Employees, have been provided to Airbus. No audit of the Business is currently being performed pursuant to any OHSA Laws and there are no workers' compensation claims which may materially adversely affect the accident cost experience of the CSALP Entities. There have been no fatal accidents in respect of the Employees or the Business, or any other accidents or incidents which might reasonably be expected to lead to charges involving the Business under applicable OHSA Laws. The CSALP Entities have not been reassessed in any material respect under OHSA Laws in the past five (5) years.
- (xii) The Employees will, immediately after Closing, be entitled to employment benefits which are substantially commensurate in scope in the aggregate, as well as in costs to the CSALP Entities, to the benefits to which the Employees are entitled on the date hereof.

(cc) **Employee Plans.**

- (i) Schedule 3.1(cc) of the Disclosure Letter lists each and every Employee Plan. All material reports, returns and similar documents with respect to any Pension Plan required to be filed with any Governmental Entity or communicated to any participant Employee have been duly filed or communicated in a timely manner.
 - (ii) To the knowledge of the CSALP Entities, no promises or commitments have been made by any CSALP Entity or by any Person acting on behalf of any CSALP Entity to amend any Employee Plan or to provide increased benefits thereunder, except as required by applicable Laws or as disclosed in Schedule 3.1(cc) of the Disclosure Letter.
 - (iii) The Pension Plans are duly registered, and are administered and have been, in all material respects, administered in compliance with their terms and all applicable Laws. The registered Pension Plans set forth in Schedule 3.1(cc) of the Disclosure Letter are the only benefit plans which are required to be registered under pension benefits standards Laws.
 - (iv) All material obligations to or arising under the Pension Plans (whether pursuant to the terms thereof or any Laws) have been satisfied in all material respects, and there are no material outstanding defaults or violations thereunder by any CSALP Entity.
 - (v) The most recent actuarial report of the Pension Plans has been provided to Airbus.
 - (vi) Each Pension Plan is funded in accordance with its terms and with all applicable Laws and all employer or employee payments and contributions required to be remitted or paid to or in respect of each Pension Plan have been paid or remitted in a timely fashion in accordance with its terms and with all applicable Laws, and no Taxes, penalties or fees are owing or exigible by or with respect to any Person under or with respect to any Pension Plan.
 - (vii) In respect of any CSALP Entity in relation to the Business, there are no open applications to any pension standards regulator for approval to transfer assets and liabilities to or from any Pension Plan registered under the pension standards Laws of Canada or a province thereof.
- (dd) **Insurance.** The CSALP Entities maintain insurance with respect to their properties and the Business of the types and in the amounts that are adequate and sufficient for the conduct of the Business. All such policies of insurance (i) are listed in Schedule 3.1(dd) of the Disclosure Letter; (ii) are in full force and effect; (iii) are sufficient for compliance with all requirements of Law and all Contracts to which any CSALP Entity is a party; and (iv) will not in any way be affected by reason of the consummation of the transactions contemplated in the Related Agreements (except as may be contemplated therein). No default exists under such policies of insurance as to the payment of premiums or otherwise, under the terms of any such policy, and none of the CSALP Entities has received notice of cancellation or non-renewal of any such policy or arrangement, and no misstatement or misrepresentation has been made by any CSALP Entity in any application for any policy of insurance. There is no Claim with respect to the Business by any CSALP Entity pending under any of such policies or arrangements as to which coverage has been denied or disputed by the underwriters or carriers of such policies and, to the knowledge of the CSALP Entities, there is no basis for denial of any such pending claims under any such policy. All claims, occurrences and circumstances that could lead to a Claim with respect to the Business that would be covered by insurance policies of the CSALP Entities have been reported to the applicable insurer.

(ee) **Litigation Relating to the Business.** Except as described in Schedule 3.1(ee) of the Disclosure Letter, there is no Material Proceeding pending, or to the knowledge of the CSALP Entities, threatened to which any CSALP Entity is a party or to which the property of any of the CSALP Entities is subject.

(ff) **Tax Matters.** Except as set forth in Schedule 3.1(ff) of the Disclosure Letter:

- (i) For all periods that are not statute-barred under applicable Laws relating to Tax, the CSALP Entities have (A) correctly prepared and duly and on a timely basis filed all Tax returns required to be filed by them with the appropriate Governmental Entity; (B) duly, completely and correctly reported to such appropriate Governmental Entities in all material respects all income (loss) and all other amounts and information required to be reported thereon and all such Tax returns continue to be true, correct and complete in all material respects; (C) paid all material Taxes due and payable by them; (D) paid all assessments and reassessments and all other Taxes, governmental charges, penalties, interest and other fines due and payable by them and which are claimed by any Governmental Entity to be due and owing except to the extent that such claims are being contested in good faith and adequate provision has been made therefor in the Balance Sheet; (E) made adequate provision in the Balance Sheet for Taxes payable for any completed fiscal period for which tax returns are not yet required to be filed; (F) duly and timely withheld and remitted or caused to be withheld and remitted, all Taxes required to be withheld and remitted by them; and (G) duly and timely collected and remitted or caused to be collected and remitted, to the appropriate Governmental Entity such Taxes required by Law to be collected and remitted by them.
- (ii) Except to the extent provided for in the Balance Sheet, no CSALP Entity is liable for any Tax at the date hereof, no deficiencies for any Taxes have been asserted or assessed against any CSALP Entity which remain unpaid, except for deficiencies which are being contested in good faith and for which adequate provision has been made in the Balance Sheet.
- (iii) There are no agreements, waivers or other arrangements providing for an extension of time with respect to (A) the filing of any Tax return; (B) the payment of any Tax, governmental charge or deficiency by the CSALP Entities; or (C) the filing of any elections, designations or similar filings relating to Taxes for which any CSALP Entity is or may be liable.
- (iv) There are no written Claims or Orders pending or, to the knowledge of the CSALP Entities, threatened against the CSALP Entities by any Governmental Entity in respect of Taxes, governmental charges, assessments or reassessments.
- (v) There are no matters under discussion with any Governmental Entity relating to Taxes, governmental charges, assessments or reassessments asserted by any such authority in respect of a CSALP Entity.
- (vi) Each CSALP Entity required by applicable Law to be registered under the Excise Tax Act (Canada) with respect to the GST, under An Act Respecting the Québec Sales Tax (Québec) with respect to QST and, where applicable, under any similar provincial or other jurisdictions' valued-added or sales tax Law, is duly registered under such Law.
- (vii) No CSALP Entity has, nor had in any period that is not statute-barred under applicable Laws relating to Taxes, any obligation to file on or prior to the Closing

Date any Tax return required to be made, prepared or filed under the applicable Law of any jurisdiction other than Canada in respect of any Taxes and no CSALP Entity has any outstanding liability on account of any failure to comply with any such obligation.

- (viii) For all transactions between any CSALP Entity and any non-resident Person with whom such CSALP Entity was not dealing at arm's length within the meaning of the Tax Act during a taxation year ending on or before the Closing Date and that is not statute-barred under applicable Laws relating to Tax, such CSALP Entity has respected the contemporaneous documentation requirements imposed by Law and made or obtained records or documents that in all material respects meet the requirements of paragraphs 247(4)(a) to (c) of the Tax Act.
- (ix) There are no circumstances existing which could result in the application to any CSALP Entity after Closing of either section 160 of the Tax Act or section 325 of the Excise Tax Act (Canada) or any equivalent section in any other Laws relating to Taxes.
- (x) Neither the implementation of the transactions comprising the Carve-Out Transaction, the Pre-Closing Reorganization nor the Closing Transactions has given or will give rise to any liability of a CSALP Entity to make or suffer an actual payment of Tax or an amount in respect of Tax or to suffer a reduction in Tax attributes.
- (xi) The CSALP Entities have made available to Airbus true, correct and complete copies of all Tax Returns for all of their taxation years.
- (xii) There are no circumstances existing which could result in the application of section 78 to 80.04 of the Tax Act, or any equivalent section in any other Laws relating to Taxes.
- (xiii) For greater certainty, notwithstanding anything herein, no representations or warranties are made or given with respect to the Tax attributes (including losses or paid-up capital for Tax purposes) of Bombardier or any of its Affiliates, including the CSALP Entities or the Acquired Cancos, or their respective assets, and Airbus hereby disclaim any such representations or warranties, express or implied.
- (gg) **No Brokers, etc.** No broker, finder, agent or similar intermediary has acted on behalf of the CSALP Entities in connection with the Related Agreements or the Closing Transactions, and there are no brokerage commissions, finders' fees or similar fees or commissions payable by Airbus in connection therewith.
- (hh) **Private Issuer Status.** Each of the CSALP Entities is a "private issuer" within the meaning of NI 45-16.
- (ii) **No Other Representations and Warranties.** Except for the representations and warranties contained in this Agreement, the Ancillary Agreements and the Commercial Agreements, none of the CSALP Entities, any of their respective Affiliates or any other Person makes any other express or implied representation or warranty, either written or oral, on behalf of the CSALP Entities or any of their Affiliates, with respect to the CSALP Entities and the Business or as to the future revenue, profitability or success of the Business or the CSALP Entities, or any representation or warranty arising from statute or otherwise in Law.

3.2 Representations and Warranties of Bombardier

Bombardier represents and warrants as follows to and in favour of Airbus and acknowledges and confirms that Airbus is relying upon such representations and warranties in entering into this Agreement and completing, or causing to be completed, the Closing Transactions to which it is a party:

- (a) **Incorporation, Corporate Power and Qualification.** Each of Bombardier and the Acquired Cancos is duly and validly incorporated, amalgamated or formed and organized, in good standing and existing under the Laws of its jurisdiction of formation, each having the corporate power and authority to own and operate property and carry on its business as currently conducted and as currently planned to be conducted in the three (3) year period after Closing. Each of Bombardier and the Acquired Cancos is duly qualified, licensed or registered to carry on business in the jurisdictions in which the nature of its material assets or its business makes such qualification necessary or in which it owns or leases any material assets or conducts any material business. Each of Bombardier and the Acquired Cancos has the corporate power and authority to enter into and perform its obligations under each of the Related Agreement to which it is a party. No resolution has been adopted providing for the dissolution or winding up of any of Bombardier or the Acquired Cancos. There has been no formal request for the annulment or the dissolution of any of Bombardier or the Acquired Cancos or for the appointment of a receiver or trustee or any similar person or entity to manage any of their affairs, nor has any petition been filed with any competent authority requesting the initiation of any restructuring or liquidation procedures with respect to any of Bombardier or the Acquired Cancos. Neither Bombardier nor any Acquired Cancos has been declared unable to meet its debts as they fall due, and there is no valid basis currently existing upon which it could be reasonably expected that a third party could require the dissolution or winding up of any of Bombardier or the Acquired Cancos.
- (b) **No Assets or Liabilities.** None of the Acquired Cancos has carried on any operations, owned or leased any assets (other than Units or cash resulting from the issuance of shares upon incorporation), been a party to or bound by any contract, held any investments or employed any Person since its incorporation. None of the Acquired Cancos has been a party to or involved in any transaction since its incorporation other than the Carve-Out Transaction and pursuant to the Original Ancillary Agreements. None of the Acquired Cancos has any liabilities or obligations of any nature whatsoever (whether known, unknown, due, to become due, direct, indirect, absolute, contingent or otherwise and no matter, fact, circumstance or event has occurred prior to Closing which in and of itself will give rise to any liability or obligation after Closing of any nature whatsoever).
- (c) **Validity of Agreement.** The execution, delivery and performance by each of Bombardier and the Acquired Cancos of the Related Agreements to which it is a party and the completion of the Closing Transactions:
 - (i) has been, or will be when entered into, as applicable, duly authorized by all necessary corporate action on the part of each of Bombardier and the Acquired Cancos;
 - (ii) does not (or would not with the giving of notice, the lapse of time, or both, or the happening of any other event or condition) result in a breach or a violation of, or conflict with, any of the terms or provisions of any Constatting Records of any of Bombardier and the Acquired Cancos; and
 - (iii) will not result in the material violation of any Law applicable to Bombardier or any Acquired Cancos.

- (d) **Execution and Binding Obligation.** The Related Agreements to which each of Bombardier and the Acquired Cancos is a party have been (or will be at the time of execution and delivery) duly executed and delivered by each of Bombardier and the Acquired Cancos and constitute (or will constitute upon such execution) legal, valid and binding obligations of each of Bombardier and the Acquired Cancos enforceable against it in accordance with their respective terms subject only to any limitation on enforcement under applicable Laws relating to: (i) bankruptcy, winding-up, insolvency, arrangement and other similar Laws of general application affecting the enforcement of creditors' rights; and (ii) the discretion that a court may exercise in the granting of extraordinary remedies such as specific performance and injunction.
- (e) **Required Authorizations.** Except as set forth in Schedule 3.2(e) of the Disclosure Letter, there is no requirement for Bombardier or the Acquired Cancos to make any filing with, give any notice to, or obtain any material Authorization of, any Governmental Entity as a result of, or in connection with, or as a condition to the lawful completion of the Closing Transactions, except the Regulatory Approvals.
- (f) **Required Consents.** Except as set forth in Schedule 3.2(f) of the Disclosure Letter, there is no requirement for Bombardier or the Acquired Cancos to obtain any Consent of any Person who is a party to a contract binding on or affecting Bombardier or the Acquired Cancos as a result of, or in connection with, or as a condition to the lawful completion of the Closing Transactions.
- (g) **Litigation Relating to the Transaction.** As of the date hereof, there is no proceeding, action, arbitration, suit, appeal or hearing before any Governmental Entity or Order pending or, to the knowledge of Bombardier, threatened, to which Bombardier or any Acquired Canco is a party and which, if determined adversely against Bombardier or any Acquired Canco, would enjoin, restrict or prohibit the Closing Transactions as contemplated by this Agreement or prevent Bombardier or any Acquired Canco from fulfilling any of its obligations set out in or arising from the Related Agreements or the Closing Transactions.
- (h) **Title to Acquired Shares.** Immediately after the Closing, Airbus will be the sole owner of the Acquired Canco1 Shares, the Acquired Canco2 Shares and the Acquired GP Shares.
- (i) **Warrants and Underlying Shares.**
- (i) The Warrants have been duly authorized and allotted for issuance and, once issued, will be freely tradable after the expiry of applicable hold periods and compliance with resale restrictions and conditions under the securities Laws and the applicable Laws of any other relevant jurisdiction.
 - (ii) Upon issuance of the Warrants, the Underlying Shares will be available and reserved for issuance out of Bombardier's authorized Class B Shares, solely for the purpose of issue upon the exercise of the Warrants.
 - (iii) The Underlying Shares, when duly issued in accordance with the terms of the Warrants, will be (A) validly issued in compliance with all applicable Laws including securities Laws as fully paid and non-assessable Class B Shares in the capital of Bombardier; and (B) freely tradable after the expiry of applicable hold periods and compliance with resale restrictions and conditions under the securities Laws and the applicable Laws of any other relevant jurisdiction.
 - (iv) The Warrants will have the attributes substantially set out in the Warrant Certificate.

- (v) Bombardier has received assurances from security holders representing a majority of the votes attached to all outstanding voting securities of Bombardier to the effect that such security holders will vote (or cause to be voted) all of their voting securities of Bombardier, in any action by written consent or at any meeting of security holders, so as to secure the Bombardier Shareholder Approval, and that such security holders will not take any action intended or likely to prevent or delay the Bombardier Shareholder Approval being secured.
- (j) **No Other Agreements to Acquire.** Except for rights under this Agreement, pursuant to the Original Ancillary Agreements until Closing or pursuant to the CSALP Agreement, the Transfer Rights Agreement and the Shareholders Agreement, when executed, no Person has any written or oral agreement, option or warrant, or any right or privilege (whether by Law, pre-emptive or contractual) capable of becoming such for the purchase, subscription, allotment or issuance of any of the unissued shares or other securities of the Acquired Cancos, or a Claim against the issued and outstanding shares or other securities of the Acquired Cancos.
- (k) **Capitalization.** The Acquired Canco1 Shares and the Acquired Canco2 Shares are the only issued and outstanding shares, securities or other ownership interests of Canco1 and Canco2, respectively. The Acquired Canco1 Shares and the Acquired Canco2 Shares have been duly authorized and validly issued as fully paid and non-assessable and will be owned by Bombardier until immediately prior to the Closing free and clear of all Encumbrances.
- (l) **Constituting Records.** The Constituting Records of the Acquired Cancos are complete and accurate, are maintained in accordance with all applicable Laws and contain copies of all Constituting Records passed by the respective shareholders and directors of the Acquired Cancos since the date of their incorporation. Complete and accurate copies of the Constituting Records of each of the Acquired Cancos which reflect all amendments made thereto have been made available to Airbus.
- (m) **Compliance with Laws.** Each Acquired Canco is conducting and has always conducted its business in compliance in all material respects with all applicable Laws (including Environmental Laws and those relating in whole or in part to health and safety). None of the Acquired Cancos has received any written notice of any violation under or non-compliance with any applicable Law which has not been remedied. There is no legislation, regulation, by-law or other lawful requirement material to the Acquired Cancos, currently in force or, to the knowledge of Bombardier, proposed to be brought into force, by any Governmental Entity, with which the Acquired Cancos will be unable to comply.
- (n) **Tax Matters.**
 - (i) For all periods that are not statute-barred under applicable Laws relating to Tax, the Acquired Cancos have (A) correctly prepared and duly and on a timely basis filed all Tax returns required to be filed by them with the appropriate Governmental Entity; (B) duly, completely and correctly reported to such appropriate Governmental Entities in all material respects all income (loss) and all other amounts and information required to be reported thereon and all such Tax returns continue to be true, correct and complete in all material respects; (C) paid all material Taxes due and payable by them; (D) paid all assessments and reassessments and all other Taxes, governmental charges, penalties, interest and other fines due and payable by them and which are claimed by any Governmental Entity to be due and owing except to the extent that such claims are being contested in good faith and adequate provision has been made therefor in its books and records; (E) made adequate provision in its books and

records for Taxes payable for any completed fiscal period for which tax returns are not yet required to be filed; (F) duly and timely withheld and remitted or caused to be withheld and remitted, all Taxes required to be withheld and remitted by them; and (G) duly and timely collected and remitted or caused to be collected and remitted, to the appropriate Governmental Entity such Taxes required by Law to be collected and remitted by them.

- (ii) No Acquired Canco is liable for any Tax at the date hereof, no deficiencies for any Taxes have been asserted in writing or assessed against any Acquired Canco which remain unpaid, except for deficiencies which are being contested in good faith and for which adequate provision has been made in the Acquired Canco books and records.
 - (iii) There are no written Claims or Orders pending or, to the knowledge of Bombardier, threatened against the Acquired Cancos by any Governmental Entity in respect of Taxes, governmental charges, assessments or reassessments.
 - (iv) There are no matters under discussion with any Governmental Entity relating to Taxes, governmental charges, assessments or reassessments asserted in writing by any such authority in respect of an Acquired Canco.
 - (v) Each Acquired Canco is not required by applicable Law to be registered under any sales tax Law.
 - (vi) No Acquired Canco has, nor had in any period that is not statute-barred under applicable Laws relating to Taxes, any obligation to file on or prior to the Closing Date any Tax return required to be made, prepared or filed under the applicable Law of any jurisdiction other than Canada in respect of any Taxes and no Acquired Canco has any outstanding liability on account of any failure to comply with any such obligation.
 - (vii) There are no circumstances existing which could result in the application to any Acquired Canco after Closing of either section 160 of the Tax Act or section 325 of the Excise Tax Act (Canada) or any equivalent section in any other Laws relating to Taxes.
 - (viii) Bombardier has made available to Airbus true, correct and complete copies of all Tax Returns for all of the taxation years of the Acquired Cancos.
 - (ix) For greater certainty, notwithstanding anything herein, no representations or warranties are made or given with respect to the Tax attributes (including losses or paid-up capital for Tax purposes) of Bombardier or any of its Affiliates, including the CSALP Entities or the Acquired Cancos, or their respective assets, and Airbus hereby disclaims any such representations or warranties, express or implied.
- (o) **Shareholders' Approval, Reporting Issuer Status, Securities Laws Compliance.**
- (i) Bombardier is not required by applicable Law or the requirements of the TSX or its Constatng Documents to obtain the approval of its shareholders in connection with the Related Agreements, the Closing Transactions or the issuance of the Warrants, other than the Bombardier Shareholder Approval;
 - (ii) Bombardier is a reporting issuer or the equivalent in all provinces of Canada and is not on a list of defaulting issuers maintained by applicable securities

commissions or securities regulatory authorities in any of the provinces of Canada pursuant to applicable securities Laws; in particular, Bombardier is in compliance with all of its applicable continuous disclosure obligations under securities Laws; and

- (iii) no securities regulator, securities commission, stock exchange or comparable authority has issued any order preventing or suspending: (i) trading in any securities of Bombardier; or (ii) distribution of the Warrants nor instituted proceedings for either purpose and, to the knowledge of Bombardier, no such proceedings are pending or contemplated, and each of the Closing Transactions complies in all respects with securities Laws.
- (p) **Financing.** Bombardier has and, so long as it has any financial obligation under this Agreement, will have sufficient funds to pay and satisfy its obligations under this Agreement.
- (q) **No Brokers, etc.** Except for [], which was hired and will be paid by Bombardier, no broker, finder, agent or similar intermediary has acted on behalf of Bombardier and the Acquired Cancos in connection with the Related Agreements or the transactions contemplated thereby, and other than to [], there are no brokerage commissions, finders' fees or similar fees or commissions payable by Airbus in connection therewith.
- (r) **Residence.** Bombardier and the Acquired Cancos are not non-residents of Canada for purposes of the Tax Act.
- (s) **Private Issuer Status.** The Acquired Cancos are "private issuers" within the meaning of NI 45-106.

<p>Redacted name on basis that it is confidential.</p>
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3.3 Representations and Warranties of Airbus

Airbus solidarily represents and warrants as follows to Bombardier and acknowledges and confirms that Bombardier is relying upon such representations and warranties in entering into this Agreement and completing, or causing to be completed, the Closing Transactions to which it or its Affiliates are a party:

- (a) **Incorporation and Corporate Power.** Airbus is a limited-liability company (Societas Europaea) incorporated under the laws of the Netherlands and Airbus has the power and authority to enter into and perform its obligations under the Related Agreements to which it is a party.
- (b) **Validity of Agreement.** The execution, delivery and performance by Airbus of the Related Agreements to which it is a party and the completion of the Closing Transactions:
 - (i) have been duly authorized by all necessary action on the part of Airbus;
 - (ii) do not (or would not with the giving of notice, the lapse of time, or both, or the happening of any other event or condition) result in a breach or a violation of, or conflict with any terms or provisions of its Constatting Records; and
 - (iii) will not result in the material violation of any Law applicable to Airbus.
- (c) **Investment Intent.** Airbus is acquiring the securities issued or transferred in connection with the Closing Transactions as principal for investment and not with a view to, or for resale in connection with, any distribution thereof in violation of applicable securities

Laws, nor with any present intention of distributing or selling the same in violation of any applicable Laws.

- (d) **Securities Laws.** Airbus has been advised that no prospectus has been filed to qualify the distribution of the securities issued or transferred to Airbus in connection with the Closing Transactions and, therefore, such securities cannot be resold unless their distribution is qualified by prospectus under applicable securities Laws or an exemption from the prospectus requirement is available. Airbus is aware that neither CSALP nor the Managing General Partner shall be under any obligation to qualify a distribution with respect to any interest held by Airbus in CSALP or the Managing General Partner, as applicable, or to file for or comply with any exemption from the prospectus requirement. Airbus is further aware of the restrictions with respect to trading of the Underlying Shares, and that since any issuance of the Underlying Shares shall be made without the requirement of filing a prospectus or delivery of an offering memorandum: (i) Airbus may be restricted from using most of the protections, rights and remedies, available under securities Laws; (ii) Airbus may not receive information that would otherwise be required to be provided to it under securities Laws; and (iii) Bombardier is relieved from certain obligations that would otherwise apply under securities Laws.
- (e) **Accredited Investor.** Airbus is an "accredited investor", as such term is defined in NI 45-106, and paragraph (m) of the definition of "accredited investor" in NI 45-106 correctly, and in all respects, describes Airbus, and will describe Airbus as at the Closing Date.
- (f) **Execution and Binding Obligation.** The Related Agreements to which Airbus is a party have been (or will be at the time of execution and delivery) duly executed and delivered by Airbus and constitute (or will constitute upon such execution) legal, valid and binding obligations of Airbus, enforceable against it in accordance with their respective terms subject only to any limitation on enforcement under applicable Laws relating to: (i) bankruptcy, winding-up, insolvency, arrangement and other similar Laws of general application affecting the enforcement of creditors' rights; and (ii) the discretion that a court may exercise in the granting of extraordinary remedies such as specific performance and injunction.
- (g) **Litigation.** As of the date hereof, there is no proceeding, action, arbitration, suit, appeal or hearing before any Governmental Entity or Order pending or, to the knowledge of Airbus, threatened to which Airbus is a party and which, if determined adversely against Airbus would enjoin, restrict or prohibit the Closing Transactions as contemplated by this Agreement or prevent Airbus from fulfilling any of its obligations set out in or arising from the Related Agreements or the Closing Transactions.
- (h) **Required Authorizations.** There is no requirement for Airbus to make any filing with, give any notice to, or obtain any material Authorization of, any Governmental Entity as a result of, or in connection with, or as a condition to the lawful completion of the Closing Transactions, except for the Regulatory Approvals.
- (i) **Required Consents.** There is no requirement for Airbus to make any filing with, give any notice to, or obtain any Consent of, any Person (other than a Governmental Entity) who is a party to a contract binding on or affecting Airbus as a result of, or in connection with, or as a condition to the lawful completion of, the Closing Transactions.
- (j) **No Brokers, etc.** No broker, finder, agent or similar intermediary has acted on behalf of Airbus in connection with the Related Agreements or the transactions contemplated thereby, and there are no brokerage commissions, finders' fees or similar fees or commissions payable by Airbus in connection therewith.

- (k) **Subscribed Unit Consideration; Acquired GP Share Consideration.** The Subscribed Unit Consideration and the Acquired GP Share Consideration, which will be satisfied or paid by Airbus to Bombardier hereunder, will not represent proceeds of crime for the purposes of the Proceeds of Crime (Money Laundering) and Terrorist Financing Act (Canada) (in this Section 3.3(k), the **PCMLA**) and Airbus acknowledges that Bombardier may in the future be required by law to disclose Airbus's name and other information relating to this Agreement and the Closing Transactions, on a confidential basis, pursuant to the PCMLA. To the knowledge of Airbus, none of the subscription funds to be provided by Airbus (i) have been or will be derived from or related to any activity that is deemed criminal under the laws of Canada, the United States of America, or any other jurisdiction; or (ii) are being tendered on behalf of a Person who has not been identified to Airbus. Airbus shall promptly notify Bombardier if it discovers that any of such representations ceases to be true, and to provide Bombardier with appropriate information in connection therewith.

Article 4

COVENANTS OF THE PARTIES

4.1 Pre-Closing Reorganization

During the Pre-Closing Period, Bombardier, the Acquired Cancos and the CSALP Entities shall take all such actions as are within their power to control and shall use commercially reasonable efforts to cause other actions to be taken which are not within their power to control, so as to give effect to the transactions contemplated in the Pre-Closing Reorganization which are to be completed on or prior to the Closing Date in compliance with the terms or provisions of the Constatng Records of the applicable entities and in accordance with applicable Laws.

4.2 Conduct of Business Prior to Closing

- (a) During the Pre-Closing Period, Bombardier and the Acquired Cancos shall carry on their respective business in the Ordinary Course and the CSALP Entities shall carry on the Business in the Ordinary Course except: (i) as is otherwise expressly permitted or contemplated by this Agreement or as a result of any transaction or the taking of any action expressly contemplated hereby, including the Existing Bombardier Commercial Agreements or the Pre-Closing Reorganization; or (ii) as consented to by Airbus in writing (which consent shall not be unreasonably withheld, conditioned or delayed); (the immediately preceding clauses (i) and (ii), collectively, the **Permitted Matters**).
- (b) In furtherance of CSALP's obligations pursuant to Section 4.2(a), during the Pre-Closing Period, Bombardier shall continue to make additional capital contributions to CSALP in respect of the cash requirements of the Business from time to time, provided that no amount contributed to CSALP shall be treated as an advance or loan between the period the contribution is made and Units are issued on a US\$1.00 of capital contribution per Unit basis, and further provided that any transfer of Units to Canco1 or Canco2 shall be made for shares.
- (c) Without limiting the generality of Section 4.2(a), during the Pre-Closing Period, each of the Acquired Cancos and the CSALP Entities covenants and agrees that it shall not directly or indirectly, except in connection with Permitted Matters:
- (i) amend its Constatng Records or capital structure;
 - (ii) split, combine or reclassify its securities or declare, set aside or pay any dividend or other distribution or make any payment (whether in cash, stock or property or any combination thereof) in respect of its securities;

- (iii) amend the terms of, redeem, repurchase, or otherwise acquire or offer to redeem, repurchase or otherwise acquire, any of its securities;
- (iv) consummate any material acquisition of property or assets of the Business, other than in the Ordinary Course and Permitted Encumbrances;
- (v) adopt a plan of liquidation or resolution providing for its liquidation, dissolution or winding-up;
- (vi) enter into, or resolve to enter into, any agreement that has the effect of creating a joint venture, partnership, shareholders' agreement or similar relationship with another Person;
- (vii) engage in any transaction with any Related Party, other than the transactions entered into with Bombardier in connection with the implementation of the Pre-Closing Reorganization;
- (viii) issue, grant, deliver, sell, pledge or otherwise encumber, or authorize the issuance, grant, delivery, sale, pledge or other encumbrance or create any derivative interest in, any of its securities or other equity or voting interests, or any options, warrants or similar rights exercisable or exchangeable for or convertible into, or otherwise evidencing a right to acquire such securities, capital stock or other equity or voting interests, or any stock appreciation rights, phantom stock awards or other rights that are linked to the price or the value of its securities;
- (ix) reorganize, merge, combine or amalgamate with any Person or acquire (by merger, amalgamation, consolidation, acquisition of securities, assets (except as otherwise permitted by this Agreement), directly or indirectly, in one transaction or in a series of transactions, assets, securities, properties, interests or businesses;
- (x) reduce the stated capital of its securities;
- (xi) make any capital expenditure or commitment to do so which individually or in the aggregate are not consistent with [], or delay any capital expenditure representing [] more of the budgeted amount therefor in [] for any given financial year;
- (xii) make any loan or advance to, or any capital contribution or investment in, or assume, guarantee or otherwise become liable with respect to the liabilities or obligations of, any Person;
- (xiii) incur, increase, create, assume or guarantee any debt for borrowed money or any obligation with respect to any financial contribution by a Governmental Entity or an Affiliate thereof or grant or create any Encumbrance in any of its assets except in respect of Permitted Encumbrances;
- (xiv) change its cash management practices and its policies, practices and procedures with respect to collection of accounts receivable, establishment of reserves for uncollectible accounts, accrual of accounts receivable, inventory control, prepayment of expenses, payment of trade accounts payable, accrual of other expenses, deferral of revenue and acceptance of customer deposits;

Redacted reference to confidential information.

Redacted percentage as commercially sensitive.

Redacted reference to confidential information.

- (xv) in any material respect, with respect to any existing Material Contract, grant to any customer or supplier any special allowance, discount or agree to any deferred consideration arrangement or change its warranty, credit or payment policies; for greater certainty, any of the foregoing with respect to pre-delivery payments (PDPs) shall be deemed material;
 - (xvi) enter into any interest rate, currency, equity or commodity swaps, hedges, derivatives, forward sales contracts or similar financial instruments, in each case for speculative or other similar financial purposes not principally related to the operation of the Business in the Ordinary Course;
 - (xvii) grant or commit to grant a license or otherwise transfer any Intellectual Property or Intellectual Property Right in or in respect thereto except for the right to use Intellectual Property or Intellectual Property Rights embodied in products or used in the provision of services in the Ordinary Course of the Business;
 - (xviii) other than as set forth in Schedule 3.1(m)(xiv) of the Disclosure Letter or as required by Law, change its method of accounting or auditing practice;
 - (xix) make any material change in or modification of any compensation, bonus, pension, insurance or benefit (including change of control payment) arrangement or grant severance or termination notice or pay to, for or with any of its directors or officers or the Employees, other than as may be required by the terms of a Contract or Collective Agreement to which it is a party and except pursuant to the Separation Plan;
 - (xx) enter into, materially amend or modify any union recognition agreement, collective agreement or similar material agreement with any trade union or representative body in respect of the Business or the Employees other than with reasonable consultation with Airbus;
 - (xxi) make any material Tax election, settle or compromise any material Tax claim exceeding [] assessment, reassessment or liability, file any amended tax return, enter into any material agreement with a Governmental Entity with respect to Taxes, consent to the extension or waiver of the limitation period applicable to any material tax matter or materially amend or change any of its methods or reporting income, deductions or accounting for income tax purposes except as may be required by Law; Redacted amount as commercially sensitive.
 - (xxii) cancel or materially reduce its insurance coverage;
 - (xxiii) [Redacted as commercially sensitive.
-] or
- (xxiv) authorize, agree, resolve or otherwise commit, whether or not in writing, to do any of the foregoing.

4.3 Separation Plan

The relevant Parties shall comply with the covenants and fulfill their respective obligations pursuant to the Separation Requirements and the Separation Plan, including the execution and delivery of agreements contemplated thereby.

4.4 Neptune Matters Protocol

The relevant Parties shall comply with the covenants and fulfill their respective obligations pursuant to the Neptune Matters Protocol, including the execution and delivery of agreements contemplated thereby.

4.5 Updated Disclosure Letter

- (a) From the date of this Agreement until the Closing Date, Bombardier and the CSALP Entities shall promptly notify Airbus in writing if, to the knowledge of the CSALP Entities, any of the representations and warranties of Bombardier or the CSALP Entities in this Agreement are not true and correct in any material respect.
- (b) From time to time and up to the date that is seven (7) Business Days prior to the Closing Date, Bombardier and the CSALP Entities will have the right to supplement or amend the Disclosure Letter with respect to any events that have occurred during the Pre-Closing Period (other than with respect to the CSALP Entities Core Representations and the Bombardier Core Representations), including in respect of representations and warranties contained herein that did not prior thereto refer to the Disclosure Letter (each a **Disclosure Letter Update**). Any disclosure in any such Disclosure Letter Update:
 - (i) will be deemed to have cured any inaccuracy or breach of any representation or warranty contained in this Agreement for purposes of determining whether or not the conditions set forth in Section 6.1(a)(ii) or 6.1(b)(ii) would be fulfilled; and
 - (ii) will not be deemed to have cured any inaccuracy or breach of any representation or warranty contained in this Agreement for purposes of the indemnification rights contained in this Agreement unless (A) such Disclosure Letter Update results from the conduct of the Business in accordance with Section 4.2 during the Pre-Closing Period, (B) a Permitted Matter or (C) Airbus has consented in writing to such Disclosure Letter Update.

4.6 []
[]

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commercially
sensitive
information.

4.7 Access Rights

During the Pre-Closing Period, Bombardier and the CSALP Entities shall, subject to the requirements of any Antitrust and Foreign Investment Laws and subject to appropriate clean team protocols as necessary, ensure that Airbus's Representatives shall be allowed such access as is reasonably requested, upon reasonable prior notice in writing and during working hours, to: (a) the books and records of the CSALP Entities (including all statutory books, minute books, leases, contracts, supplier lists, customer lists, information that is commensurate to the information required to be provided to Bombardier and IQ Subco pursuant to the Original LPA, and any other information that is reasonably necessary in connection with the Separation Plan and the Neptune Matters Protocol); and (b) the premises used by, and management of the CSALP Entities, in each case without materially affecting the operations of the CSALP Entities in the Ordinary Course.

4.8 Authorizations and Consents

- (a) Airbus and Bombardier shall use commercially reasonable efforts before and, if applicable, after the Closing to obtain, or cause to be obtained, all Authorizations required to be set out in Schedule 3.1(d) of the Disclosure Letter and all Consents required to be set out in Schedule 3.1(e) of the Disclosure Letter, in each case as soon as reasonably possible.
- (b) Without limitation of the foregoing and subject to the terms and conditions of this Agreement, Airbus and Bombardier shall, and shall cause their respective Affiliates to, cooperate with each other and shall use their respective commercially reasonable efforts to obtain the Regulatory Approvals as soon as reasonably practicable, including by:
 - (i) making any submissions, applications or filings that are required under any Antitrust and Foreign Investment Law and in connection with any Regulatory Approval as promptly as reasonably practicable, and not withdrawing any such filings or applications without the prior written consent of Bombardier;
 - (ii) promptly informing Airbus or Bombardier, as the case may be, of any material communications received in respect of obtaining or concluding the Regulatory Approvals or any Antitrust and Foreign Investment Law or the Closing Transactions;
 - (iii) using commercially reasonable efforts to respond promptly to any request or notice from any Governmental Entity requiring Airbus or Bombardier, or any one of them, to supply additional information that is relevant to the review of the transactions contemplated by this Agreement in respect of obtaining or concluding the Regulatory Approvals or any Antitrust and Foreign Investment Law (and using commercially reasonable efforts to submit such other information that Airbus, acting reasonably, considers prudent to submit to obtain the Regulatory Approvals or in connection with any Antitrust and Foreign Investment Law);
 - (iv) permitting Airbus or Bombardier, as the case may be, to review in advance any proposed applications, notices, filings and submissions to Governmental Entities (including responses to requests for information and inquiries from any Governmental Entity) and other substantive communications with Governmental Agencies, in respect of obtaining or concluding the Regulatory Approvals or any Antitrust and Foreign Investment Law or the Closing Transactions, and will provide Airbus or Bombardier, as the case may be, a reasonable opportunity to comment thereon and consider those comments in good faith;
 - (v) promptly providing Airbus or Bombardier, as the case may be, with any filed copies of applications, notices, filings and submissions (including responses to requests for information and inquiries from any Governmental Entity) that were submitted to a Governmental Entity in respect of obtaining or concluding the Regulatory Approvals or any Antitrust and Foreign Investment Law or the Closing Transactions;
 - (vi) not participating in any substantive meetings or discussions (whether in person, by telephone or otherwise) with Governmental Entities in respect of obtaining or concluding the Regulatory Approvals or any Antitrust and Foreign Investment Law or the Closing Transactions, unless it consults with Airbus or Bombardier, as the case may be, in advance and gives Airbus or Bombardier, as the case may be, or their respective legal counsel the opportunity to attend and participate; and

- (vii) keeping Airbus or Bombardier, as the case may be, informed of the status of any discussions relating to obtaining or concluding the Regulatory Approvals or any Antitrust and Foreign Investment Law or the Closing Transactions.
- (c) Notwithstanding Section 4.8(b), where a Party is required under this Section 4.8 to provide information to another Party that the disclosing Party deems to be competitively sensitive information or otherwise reasonably determines in respect thereof that disclosure should be restricted (for example, to preserve applicable legal privileges), the disclosing Party may restrict the provision of such competitively sensitive and other information only to external legal counsel of the receiving Party, or may redact such information before providing the relevant materials to said counsel, provided that, upon request, the disclosing Party also provide the receiving Party a redacted version of such information which does not contain any such competitively sensitive or other restricted information. In addition, notwithstanding Section 4.8(b), neither Bombardier nor any of its Affiliates will engage in any correspondence with any Governmental Entities, nor participate in any meetings or discussions (whether in person, by telephone or otherwise) with any Governmental Entities, regarding the Investment Canada Act without the prior written permission of Airbus or its outside counsel which permission shall not be unreasonably withheld, conditioned or delayed..
- (d) For greater certainty, in relation to the ICA Approval, commercially reasonable efforts shall require that Airbus agrees to such undertakings as are commercially reasonable for a transaction subject to review under the Investment Canada Act and are consistent in all material respects with the rights and obligations of Airbus (including for purposes hereof, the CSALP Entities after Closing) under [Redacted confidential information.]. In relation to other Regulatory Approvals but without limitation of Airbus's obligations pursuant to this Agreement other than pursuant to this Section 4.8, commercially reasonable efforts shall not require Airbus to, and shall not permit Bombardier or the CSALP Entities, without the express written consent of Airbus, to propose, negotiate, agree to or effect: (i) the sale, divestiture, licensing, holding separate or disposal of businesses or assets of Airbus or the CSALP Entities or their respective Affiliates; (ii) the termination or amendment of any agreements relating to the assets or businesses of Airbus the CSALP Entities or their respective Affiliates; or (iii) any other measures that inhibits the right of Airbus to own, control, use or exploit the businesses, activities or assets of Airbus or CSALP Entities or their respective Affiliates.
- (e) In no circumstances shall Bombardier or any CSALP Entity state or suggest that Airbus is prepared to provide or agree to particular undertakings or requirements, without the prior consent of Airbus.
- (f) Airbus shall pay all government filing fees (or similar fees) required in connection with the Regulatory Approvals and all fees for economists and expert witnesses. Airbus and Bombardier will each bear their respective costs of legal counsel and outside vendors used for responding to any agency investigation, such as document processing or hosting services.

4.9 Alternative Transaction

- (a) During the Pre-Closing Period, Bombardier, the Acquired Cancos and the CSALP Entities shall not directly or indirectly, through any Representative (including any financial advisor, legal advisor or other agent or representative) solicit, initiate or in any manner encourage any inquiries, offers or proposals (written or oral) from, discuss or negotiate with, provide information to, any Person (other than Airbus) relating to any Alternative Transaction.
- (b) For the avoidance of doubt, Bombardier shall, and shall cause its Representatives and each of the Acquired Cancos and the CSALP Entities and their respective

Representatives to, as of the date hereof: (i) terminate any discussions or negotiations with third parties in respect of any possible Alternative Transaction; (ii) cease providing to any third parties other than Airbus any confidential or other information related to each of the Acquired Cancos and the CSALP Entities; and (iii) not release any such third parties from any standstill or similar commitment.

4.10 Actions to Satisfy Closing Conditions

- (a) Subject to the terms and conditions hereof, Bombardier shall take all such actions as are within its power to control and shall use commercially reasonable efforts to cause other actions to be taken which are not within its power to control, so as to ensure satisfaction of all of the conditions set forth in Section 6.1 on or prior to the Closing Date.
- (b) Subject to the terms and conditions hereof, Airbus shall take all such actions as are within their power to control and shall use commercially reasonable efforts to cause other actions to be taken which are not within their power to control, so as to ensure compliance with all of the conditions set forth in Section 6.2 on or prior to the Closing Date.

4.11 Supplemental Amount under 2016 Contribution Agreement

Bombardier and CSALP shall, as part of the Pre-Closing Reorganization, amend Exhibit 1.1(kkk) {*Supplément 1.1(kkk)*} of the 2016 Contribution Agreement to remove item (B) from such exhibit, and make such further amendments to the 2016 Contribution Agreement necessary as a result of [

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confidential
information.

], in each case with such amendment to take effect from and after the Closing Date.

4.12 Tax Returns

- (a) The Acquired Cancos and the CSALP Entities shall duly and timely prepare and file all Tax Returns required to be so prepared and filed by them after Closing for any Tax period ending on or prior to Closing and for any Tax period beginning before and ending after Closing, and for which Tax Returns have not been filed as of such date (the **Pre-Closing Tax Returns**), which Pre-Closing Tax Returns must be prepared and filed on a basis consistent with the Acquired Cancos and the CSALP Entities' existing procedures and practice as to treatment of items of income (to the extent such treatment is reasonable in the circumstances). Each Pre-Closing Tax Return shall be submitted by Bombardier or the CSALP Entities in draft form to Airbus at least 30 days before the date on which such Pre-Closing Tax Return is required by Law to be filed with the relevant Governmental Entity. Airbus shall have the right to review each such draft Pre-Closing Tax Return and any working papers relating to its preparation. Within ten (10) days after the date that Airbus receives such draft Pre-Closing Tax Return, Airbus shall advise Bombardier or the CSALP Entities in writing of any comments on such Tax Returns and Bombardier or the CSALP Entities shall take into consideration such comments prior to filing any such Tax Returns. Bombardier shall pay any Taxes owed by the Acquired Cancos in respect of a Pre-Closing Tax Return and the Acquired Cancos and the CSALP Entities shall file any such Pre-Closing Tax Returns.
- (b) As part of the amendments to the CSALP Agreement, CSALP will request consent from the appropriate Governmental Entity to change the fiscal period end for purposes of the Tax Act of CSALP such that its fiscal period would end immediately before the Closing Date. For Tax purposes, and regardless of whether there is a fiscal period end under the Tax Act for CSALP, any income, gain, deduction, loss or credit of CSALP for a period beginning before the Closing Date and ending on or after the Closing Date (a **Straddle Period**) shall be allocated to each partner of CSALP on the basis that the Straddle Period

consisted of two taxable periods, one that ended at the close of business on the day immediately before the Closing Date and the other that began on the Closing Date, and such income, gain, deduction, loss or credit shall be allocated between two such periods on a "closing of the books basis"; provided, however, that (i) in the case of a Tax imposed in respect of property or other similar Taxes imposed on a periodic basis and that applies rateably to a Straddle Period, the amount of Tax allocable to a portion of the Straddle Period shall be the total amount of such Tax for the entire Straddle Period multiplied by a fraction, the numerator of which is the number of days in such portion of such Straddle Period and the denominator of which is the total number of days in such Straddle Period; and (ii) in the case of any other Taxes, such Taxes shall be allocated to the portion of the Straddle Period in which the relevant transaction occurred. Bombardier agrees to use the methodology with respect to allocation of income as set out in this Section 4.12(b) in preparing a Pre-Closing Tax Return.

4.13 Warrants

- (a) As soon as reasonably practicable, Bombardier shall apply to seek TSX approval for the listing of the Class B Shares issuable upon exercise of the Warrants on the TSX and the issuance of the Warrants hereunder, and shall use its commercially reasonable efforts to obtain TSX approval for the listing of such Class B Shares on the TSX and the issuance of the Warrants hereunder, subject to customary conditions only.
- (b) Subject to the terms and conditions of this Agreement, Bombardier shall take all action necessary in accordance with all applicable Laws to (i) obtain the Bombardier Shareholder Approval as promptly as practicable; and (ii) seek approval as promptly as practicable from the TSX of the fulfillment of Bombardier's obligations in this Section 4.13(b) by way of written consent.

4.14 Recurring Costs

From and after the Closing Date, Airbus and Bombardier shall seek to implement synergies between their respective businesses and the Business in order to reduce, following the production of the [REDACTED], the cost of the work packages provided pursuant to the Specific Terms Agreements among Bombardier, as supplier, and CSALP and the Managing General Partner, by [REDACTED] compared to such costs on the date hereof.

4.15 [REDACTED]

[REDACTED]

4.16 Product Change Requests

Subject to applicable Law, Bombardier shall deliver to a representative of Airbus's clean team identified by Airbus from time to time, at the beginning of each quarter during the Pre-Closing Period, a detailed list of all Product Change Requests agreed to between Bombardier and CSALP during the previous quarter pursuant to any of the Specific Terms Agreements between Bombardier and CSALP.

Redacted number of days as commercially sensitive.
Redacted number of days as commercially sensitive.
Redacted commercially sensitive information.

Article 5 CLOSING

5.1 Date, Time and Place of Closing

The Closing will take place at the Montreal offices of Norton Rose Fulbright, Suite 2500, 1 Place Ville Marie, Montreal, Québec at the Effective Time on the Closing Date or at such other place, on such other date and at such other time as may be agreed upon in writing by the Parties.

5.2 Closing Procedures

Subject to satisfaction or waiver of the conditions of Closing by the relevant Party, at Closing: (i) the Managing General Partner shall deliver, or cause to be delivered, certificates or other instruments representing the Acquired GP Shares and the Subscribed Units to Airbus; (ii) Bombardier shall deliver, or cause to be delivered, certificates or other instruments representing the Acquired Canco1 Shares and the Acquired Canco2 Shares to Airbus; (iii) Airbus shall deliver, or cause to be delivered, certificates or other instruments representing the Acquired Canco1 Share Consideration and the Acquired Canco2 Share Consideration to Bombardier; (iv) Airbus, on the one hand, and Bombardier, on the other hand, shall deliver its respective deliveries as contemplated in Sections 6.1(j) and 6.2(f); and (v) Airbus shall make the payments required from it in accordance with Article 2.

Article 6 CONDITIONS OF CLOSING

6.1 Conditions in Favour of Airbus

The obligation of Airbus to complete, or cause to be completed, the Closing Transactions is subject to the following conditions to be fulfilled or performed at or prior to Closing, which conditions are for the exclusive benefit of Airbus and may be waived, in whole or in part, by Airbus in its sole discretion and any one or more of which, if not satisfied or waived, will relieve Airbus of any obligation under this Agreement:

- (a) **Truth of Representations and Warranties of Bombardier and Performance of Covenants.** Each of
 - (i) the Bombardier Core Representations must be accurate in all respects, as of the Effective Time with the same force and effect as if such representations and warranties had been made on and as of such date (except to the extent such Bombardier Core Representations are as set forth as of a specified date, including as of the date of this Agreement, which Bombardier Core Representations shall only need be accurate as of such specified date);
 - (ii) the other representations and warranties of Bombardier contained in this Agreement that are qualified as to materiality shall be true and correct in all respects and those not so qualified shall be true and correct in all material respects as of the Effective Time with the same force and effect as if such representations and warranties had been made on and as of such date (except to the extent such representations and warranties are as set forth as of a specified date, including as of the date of this Agreement, which representations and warranties shall only need be accurate as of such specified date);
 - (iii) Bombardier shall have fulfilled, performed or complied with, in all material respects, all covenants, acts, undertakings, obligations and agreements

contained in this Agreement to be fulfilled, performed or complied with by it at or prior to Closing (including those set forth in the Separation Requirements and the Neptune Matters Protocol); and

Bombardier shall have executed and delivered a certificate of a senior officer to that effect.

(b) **Truth of Representations and Warranties of CSALP Entities and Performance of Covenants.** Each of

- (i) the CSALP Entities Core Representations must be accurate in all respects, as of the Effective Time with the same force and effect as if such representations and warranties had been made on and as of such date (except to the extent such CSALP Entities Core Representations are as set forth as of a specified date, including as of the date of this Agreement, which CSALP Entities Core Representations shall only need be accurate as of such specified date);
- (ii) the other representations and warranties of the CSALP Entities contained in this Agreement (as may be amended by the updated Disclosure Letter delivered pursuant to Section 4.5) that are qualified as to materiality shall be true and correct in all respects and those not so qualified shall be true and correct in all material respects as of the Effective Time with the same force and effect as if such representations and warranties had been made on and as of such date (except to the extent such representations and warranties are as set forth as of a specified date, including as of the date of this Agreement, which representations and warranties shall only need be accurate as of such specified date);
- (iii) the CSALP Entities shall have fulfilled, performed or complied with, in all material respects, all covenants, acts, undertakings, obligations and agreements contained in this Agreement to be fulfilled, performed or complied with by it at or prior to Closing; and

the CSALP Entities shall have executed and delivered a certificate of a senior officer to that effect.

- (c) **Support Agreement.** The Support Agreement shall not have been terminated and all the conditions set forth under Article 5 of the Support Agreement shall have been fulfilled, performed or waived.
- (d) **Material Adverse Change.** There shall not have occurred a Material Adverse Change since the execution of this Agreement.
- (e) **Adverse Change of Control.** There shall not have occurred an Adverse Change of Control since the execution of this Agreement.
- (f) **Regulatory Approvals.** The Regulatory Approvals shall have been obtained, and shall remain in full force and effect.
- (g) **Bombardier Shareholder Approval.** The Bombardier Shareholder Approval shall have been obtained.
- (h) **TSX Listing Approval.** The listing of the Class B Shares issuable upon exercise of the Warrants and the issuance of the Warrants hereunder shall have been approved by TSX, subject to customary conditions only.

- (i) **No Legal Action.** Other than in connection with the Regulatory Approvals, no Law or Order shall be in effect whether temporary, preliminary or permanent that makes the completion of the Closing Transactions illegal or otherwise prohibited or enjoins the completion of the Closing Transactions.
- (j) **Deliveries.** Bombardier shall have delivered or caused to be delivered to Airbus the following (all of which shall be deemed delivered in escrow and released upon Closing):
- (i) certificates or other instruments representing the Acquired GP Shares, the Subscribed Units, the Acquired Canco1 Shares or the Acquired Canco2 Shares;
 - (ii) the Warrant Certificate in the agreed form representing such number of Warrants to be delivered on the Closing Date pursuant to Section 2.7;
 - (iii) certified copies of:
 - (A) the articles and by-laws of the Acquired Cancos and the CSALP Entities;
 - (B) the resolutions of the board of directors of Bombardier, the Acquired Cancos, the Managing General Partner (acting for itself or on behalf of CSALP) and RealCo approving the entering into of the Related Agreements to which it is a party and the completion of the Closing Transactions; and
 - (C) a list of the officers and directors of Bombardier, the Acquired Cancos, the Managing General Partner (acting for itself or on behalf of CSALP) and RealCo authorized to sign agreements together with their specimen signatures;
 - (iv) a certificate of status, compliance, good standing or like certificate with respect to Bombardier, the Acquired Cancos and the CSALP Entities issued by appropriate government officials of their respective jurisdictions of incorporation or formation;
 - (v) the certificates referred to in Section 6.1(a) and Section 6.1(b);
 - (vi) a duly executed counterpart of each of the Related Agreements in the agreed form [] to which any of Bombardier, the Acquired Cancos, the Managing General Partner (acting for itself or on behalf of CSALP) and RealCo is party; Redacted confidential information.
 - (vii) a duly executed counterpart of the Separation Plan and a duly executed counterpart of each of the agreements to be executed and delivered to Airbus at or prior to Closing by Bombardier and/or its Affiliates pursuant to the Separation Plan or the Neptune Matters Protocol; Redacted commercially sensitive information.
 - (viii) the []; and
 - (ix) all such other assurances, consents, agreements and instruments as may be reasonably required by Airbus to complete the transactions provided for in this Agreement[], all of which shall be in form and substance satisfactory to Airbus, acting reasonably. Redacted confidential information.

6.2 Conditions in Favour of Bombardier

The obligation of Bombardier to complete, or cause to be completed, the Closing Transactions is subject to the following conditions to be fulfilled or performed at or prior to Closing, which conditions are for the exclusive benefit of Bombardier and may be waived, in whole or in part, by Bombardier in its sole discretion and any one or more of which, if not satisfied or waived, will relieve Bombardier, the Acquired Cancos and the CSALP Entities of any obligation under this Agreement:

- (a) **Truth of Representations and Warranties.** The representations and warranties of Airbus contained in this Agreement that are qualified as to materiality shall be true and correct in all respects and those not so qualified shall be true and correct in all material respects as of the Effective Time with the same force and effect as if such representations and warranties had been made on and as of such date (except to the extent such representations and warranties are as set forth as of a specified date, including as of the date of this Agreement, which representations and warranties shall only need be accurate as of such specified date) and Airbus shall have executed and delivered a certificate of a senior officer to that effect.
- (b) **Performance of Covenants.** Airbus shall have fulfilled, performed or complied respects with, in all material respects, all covenants, acts, undertakings, obligations and agreements contained in this Agreement to be fulfilled, performed or complied with by them at or prior to Closing and Airbus shall have executed and delivered a certificate of a senior officer of each of Airbus to that effect.
- (c) **Regulatory Approvals.** The Regulatory Approvals shall have been obtained, and shall remain in full force and effect.
- (d) **Neptune Contract Parameters.** The Neptune Contract Parameters shall have been agreed to by Bombardier and Airbus.
- (e) **No Legal Action.** Other than in connection with the Regulatory Approvals, no Law or Order shall be in effect whether temporary, preliminary or permanent that makes the completion of the Closing Transactions illegal or otherwise prohibited or enjoins the completion of the Closing Transactions.
- (f) **Deliveries.**
 - (i) Airbus shall have delivered, or cause to be delivered, certificates or other instruments representing the Acquired Canco1 Share Consideration and the Acquired Canco2 Share Consideration to Bombardier (all of which shall be deemed delivered in escrow and released upon Closing).
 - (ii) Airbus shall have delivered or caused to be delivered to Bombardier the following (all of which shall be deemed delivered in escrow and released upon Closing):
 - (A) certified copies of a list of the officers and directors of Airbus authorized to sign agreements together with their specimen signatures,
 - (B) the certificates referred to in Section 6.2(a) and Section 6.2(b);
 - (C) a duly executed counterpart of each of the Related Agreements in the agreed form [] to which Airbus is a party;

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- (D) the Termination of the Bombardier Guarantee;
- (E) a duly executed counterpart of the Separation Plan and a duly executed counterpart of each of the agreements to be executed and delivered to Bombardier at or prior to Closing by Airbus and/or its Affiliates pursuant to the Separation Plan, the Neptune Matters Protocol or the Neptune Contract Parameters; and
- (F) all such other assurances, consents, agreements and instruments as may be reasonably required by Bombardier to complete the transactions provided for in this Agreement, all of which shall be in form and substance satisfactory to Bombardier, acting reasonably.

Article 7 TERMINATION

7.1 Termination

This Agreement may be terminated at any time on or prior to the Closing Date:

- (a) by the mutual written consent of Airbus and Bombardier;
- (b) upon written notice by any of Airbus or Bombardier, if:
 - (i) after the date of this Agreement any Law is enacted or made (or any Law is amended) that makes the consummation of any of the transactions contemplated by the Related Agreements illegal or otherwise prohibited or enjoins the consummation of any of the transactions contemplated by the Related Agreements, and such Law (if applicable) or injunction shall have become final and non-appealable, provided that Airbus or Bombardier may not terminate this Agreement pursuant to this Section 7.1(b)(i) if the Law has been enacted, made, enforced or amended, as applicable, as a result of a breach by Airbus, on the one hand, or Bombardier or the CSALP Entities, on the other hand, of their respective representations or warranties or a failure of by such Persons to perform any of their respective covenants or agreements under this Agreement;
 - (ii) the Effective Time does not occur on or prior to the Outside Date, provided that if on such date the conditions set forth in Section 6.1(f) *{Regulatory Approvals}* and 6.2(c) *{Regulatory Approvals}* shall not be satisfied, or Airbus is actively litigating in order for the aforementioned conditions to be satisfied, either Bombardier or Airbus shall have the right to postpone the Outside Date by up to an additional 3 months, and thereafter Bombardier or Airbus shall have the right to postpone the Outside Date by up to an additional 3 months, and provided that Airbus or Bombardier may not terminate this Agreement under this Section 7.1(b)(ii) if Airbus, on the one hand, or Bombardier or the CSALP Entities, on the other hand, have failed to perform their obligations or covenants under this Agreement required to be performed at or prior to Closing and the Closing has not occurred because of such failure;
- (c) by Airbus upon written notice to Bombardier if a breach of any CSALP Entities Core Representation or any Bombardier Core Representation or a failure by Bombardier, the Acquired Cancos or the CSALP Entities to perform any covenant, act, undertaking, obligation and other agreement under this Agreement occurs, which would cause, in each case, any condition specified in Section 6.1 *{Conditions in Favour of Airbus}* not to be satisfied by the Closing Date, and such breach or failure is not capable of being cured

or is not cured by Bombardier, the Acquired Cancos or the CSALP Entities within 15 days after written notice thereof by Airbus;

- (d) by Airbus if any event occurs as a result of which any of the conditions set forth in Section 6.1(c) *{Support Agreement}*, Section 6.1(d) *{Material Adverse Change}*, Section 6.1(e) *{Adverse Change of Control}* or Section 6.1(g) *{Bombardier Shareholder Approval}* is not capable of being satisfied by the Outside Date; or
- (e) by Bombardier upon written notice to Airbus if a breach of any representation and warranty of Airbus or a failure by Airbus to perform any covenant, act, undertaking, obligation and other agreement under this Agreement occurs, which would cause, in each case, any condition specified in Section 6.2 *{Conditions in Favour of Bombardier}* not to be satisfied by the Closing Date, and such breach or failure is not capable of being cured or is not cured by Airbus within 15 days after written notice thereof by Bombardier.

7.2 Effect of Termination

If this Agreement is terminated pursuant to Sections 7.1(b), 7.1(c), 7.1(d) or 7.1(e) and the right to terminate arose because of a breach of this Agreement, then the breaching Party shall remain fully liable and the terminating Party make seek remedies in accordance with Section 8.8.

Article 8 INDEMNIFICATION

8.1 Indemnification by Bombardier in favour of Airbus

- (a) Subject to Sections 8.5(a), 8.6 and 8.7, Bombardier shall indemnify, defend and hold harmless each Airbus Indemnified Person from and against, and shall pay to such Airbus Indemnified Person the amount of, any loss, liability, statutory liability claim, damage, fine and other penalty, cost, charge or expense (including costs of investigation and defence and reasonable legal fees and other professional fees) (collectively, **Damages**) suffered by, imposed upon, incurred by or asserted against such Airbus Indemnified Person as a result of, or arising in connection with or related in any manner whatsoever to:
 - (i) any incorrectness, misrepresentation or breach of any representation or warranty made by Bombardier in this Agreement or in any certificate delivered by Bombardier pursuant to this Agreement; or
 - (ii) any breach or non-fulfillment by Bombardier of any covenant, condition or obligation of Bombardier contained in this Agreement;

provided that, if Damages are, or may be considered or construed as being, suffered by, imposed upon, incurred by or asserted against both the CSALP Entities or their Representatives, on the one hand, and Airbus, the Acquired Cancos or their respective Representatives (as shareholders, limited or general partners, or otherwise), on the other hand, such Damages shall be deemed to be suffered by, imposed upon, incurred by or asserted against only the CSALP Entities or their Representatives.

- (b) Subject to Sections 8.5(a), 8.6 and 8.7, Bombardier shall indemnify, defend and hold harmless each Airbus Indemnified Person from and against, and shall pay to such Airbus Indemnified Person the amount of any Damages suffered by, imposed upon, incurred by or asserted against such Airbus Indemnified Person as a result of, or arising in connection with or related in any manner whatsoever to:

- (i) any incorrectness, misrepresentation or breach of any representation or warranty made by the CSALP Entities in this Agreement or in any certificate delivered by the CSALP Entities pursuant to this Agreement determined without giving effect to any "materiality" or similar qualifications, which shall also be disregarded in determining the amount of Damages arising therefrom;
- (ii) any breach or non-fulfillment by the CSALP Entities of any covenant, condition or obligation of the CSALP Entities contained in this Agreement;
- (iii) the Carve-Out Transaction;
- (iv) any Taxes payable by any of the CSALP Entities and the Acquired Cancos relating to (A) periods ending on or before the Closing Date; or (B) the pre-closing portion of a Straddle Period;
- (v) item (i) of the Specified Indemnities;
- (vi) item (ii) of the Specified Indemnities; and
- (vii) items (iii) and (iv) of the Specified Indemnities;

provided that, if Damages are, or may be considered or construed as being, suffered by, imposed upon, incurred by or asserted against both the CSALP Entities or their Representatives, on the one hand, and Airbus, the Acquired Cancos or their respective Representatives (as shareholders, limited or general partners, or otherwise), on the other hand, such Damages shall be deemed to be suffered by, imposed upon, incurred by or asserted against only the CSALP Entities or their Representatives.

- (c) If an Airbus Indemnified Person makes a claim against Bombardier for Damages, then Bombardier shall not be entitled to, and hereby waives any right to, make any Claim against the CSALP Entities and the Acquired Cancos in respect of any such Damages by contribution, warranty or otherwise and Bombardier acknowledges and agrees to, and to use commercially reasonable efforts to cause each of the members of its group, its shareholders, directors, officers, employees and other representatives or respective consultants to, waive any right or Claim it has had, has now, or may have in the future, relating to or arising out of Section 4.2 or Section 4.4 of the 2016 Contribution Agreement.

8.2 Indemnification by Airbus in Favour of Bombardier

Subject to Sections 8.5(a), 8.6 and 8.7, Airbus shall indemnify, defend and hold harmless each Bombardier Indemnified Person from and against, and shall pay to such Bombardier Indemnified Person the amount of any Damages suffered by, imposed upon, incurred by or asserted against such Bombardier Indemnified Person as a result of, or arising in connection with or related in any manner whatsoever to:

- (a) any incorrectness, misrepresentation or breach of any representation or warranty made by Airbus in this Agreement, or in any certificate delivered by Airbus pursuant to this Agreement; or
- (b) any breach or non-fulfillment by Airbus of any covenant, condition or obligation of Airbus contained in this Agreement.

8.3 Indemnification Procedure – Third Party Claims

- (a) If any Claim by or in respect of a third party (a **Third Party Claim**) is made or commenced against any Airbus Indemnified Person in respect of which such Airbus Indemnified Person proposes to demand indemnification from Bombardier pursuant to Section 8.1(b), such Airbus Indemnified Person shall give notice to that effect together with particulars of the Third Party Claim to Bombardier with reasonable promptness. The failure to give, or delay in giving, such notice will not relieve Bombardier of its obligations except and only to the extent of any prejudice caused to Bombardier by such failure or delay.
- (b) Bombardier may, by notice to the relevant Airbus Indemnified Person given not later than 30 days after receipt of the notice described in Section 8.3(a), assume control of the defence of a Third Party Claim, provided that:
 - (i) the Third Party Claim does not relate to the (A) Intellectual Property Rights of the Business; (B) a customer of the Business; (C) a Major Supplier; (D) a Governmental Entity; (E) matters of the types contemplated in Section 3.1(o) (Investigations) and 3.1(p) (Absence of Questionable Payments); or (F) matters where Airbus determines in good faith that resolution of such Third Party Claim could set a materially adverse precedent for the Business or Airbus or its business following the Closing;
 - (ii) the Third Party Claim and any settlement thereof cannot be expected to materially and adversely affect the Taxes payable by the CSALP Entities or the Acquired Cancos, as determined by the Indemnified Person, acting reasonably, for any period after the Closing Date (net of any Taxes payable that may be reduced pursuant to the use of available Tax attributes (including losses for Tax purposes) of the CSALP Entities or the Acquired Cancos that were made available immediately after Closing (as adjusted for any other Third Party Claim), provided such attributes can be used under applicable Law to reduce Taxes payable in the same or the subsequent fiscal year such Taxes resulting from the Third Party Claim (and any settlement thereof) are or become payable, and the Airbus Indemnified Person, the CSALP Entities and the Acquired Cancos, as applicable, shall use all commercially reasonable efforts, in accordance with applicable Law, to use such Tax attributes);
 - (iii) the Third Party Claim seeks only monetary damages and does not seek, in any material respects, any injunctive relief or specific performance against the Airbus Indemnified Person;
 - (iv) Airbus shall at all times have the right to fully participate in the defence at its own costs and expense (provided, however, that the reasonable defence costs and expenses of the Airbus Indemnified Person prior to the date Bombardier validly exercises its right to assume control of the defence shall be reimbursed by Bombardier to such Airbus Indemnified Person), and Bombardier shall reasonably cooperate with the Airbus Indemnified Person in connection with such participation;
 - (v) Bombardier shall keep the Airbus Indemnified Person informed, on a regular basis and as may be reasonably requested, of the status and all material developments regarding the defence of the Third Party Claim; and
 - (vi) Bombardier unconditionally acknowledges in writing that it will indemnify, defend and hold harmless the Airbus Indemnified Persons with respect to the Third Party Claim.

- (c) Upon assumption of control by Bombardier:
- (i) Bombardier shall actively and diligently proceed with the defence of the Third Party Claim at their sole costs and expenses; and
 - (ii) Bombardier shall obtain the consent of the relevant Airbus Indemnified Person to the entry of any judgment or to the entering into of any settlement with respect to the Third Party Claim unless the terms of the judgment or settlement require only the payment of money in respect of the Third Party Claim and the Airbus Indemnified Person is not required to admit any wrongdoing, take or refrain from taking any action, acknowledge any material rights of the third party making the Third Party Claim or waive any material rights that the Airbus Indemnified Person may have against such third party making the Third Party Claim.
- (d) Each Party shall use its commercially reasonable efforts to make available, at its costs and expense, to the Party which is undertaking and controlling the defence of any Third Party Claim (i) all relevant information in its possession or under its control (provided that it does not cause it to breach any confidentiality obligations); and (ii) those individuals whose assistance, testimony or presence is useful to assist the Party which is undertaking and controlling the defence in evaluation and defending such Third Party Claim, and shall take such other reasonable steps as are necessary to enable the Party undertaking the defence to conduct such defence.
- (e) If: (i) Bombardier fails to give such Airbus Indemnified Party the notice required in Section 8.3(b); (ii) the Third Party Claim relates to a matter referred to in Section 8.3(b)(i) or seeks injunctive relief or specific performance against the Airbus Indemnified Person; (iii) the Third Party Claim may in the Indemnified Person's reasonable determination materially and adversely affect the Taxes payable by the Indemnified Person for any period after the Closing Date (net of any Taxes payable that may be reduced pursuant to the use of available Tax attributes (including losses for Tax purposes) of the CSALP Entities or the Acquired Cancos that were made available immediately after Closing (as adjusted for any other Third Party Claim), provided such attributes can be used under applicable Law to reduce Taxes payable in the same or the subsequent fiscal year such Taxes resulting from the Third Party Claim (and any settlement thereof) are or become payable, and the Airbus Indemnified Person, the CSALP Entities and the Acquired Cancos, as applicable, shall use all commercially reasonable efforts, in accordance with applicable Law, to use such Tax attributes); or (iv) Bombardier breaches any of its other material obligations under this Section 8.3, such Airbus Indemnified Person may assume control of the defence of, compromise or settle the Third Party Claim and retain counsel as may appear advisable, acting reasonably at Bombardier's sole costs and expenses, provided that such Airbus Indemnified Person (A) reasonably consults with Bombardier in connection with such defence, compromise and settlement; and (B) obtains the consent of Bombardier prior to the entry of any judgment or to the entering into of any settlement with respect to the Third Party Claim (which consent shall not to be unreasonably withheld, delayed or conditioned). Bombardier shall remain responsible for any Damages the Airbus Indemnified Persons may suffer resulting from, arising out of, or relating to, the Third Party Claim to the fullest extent provided in this Article 8.

8.4 Indemnification Procedure – Direct Claims

Any Claim for indemnification by an Indemnified Person against an Indemnifying Party which does not result from a Third Party Claim must be asserted by prompt notice (setting out in reasonable detail the factual basis for the Claim and the amount of potential Damages arising from it) to the Indemnifying Party from whom indemnification is sought within the periods specified in Section 8.6. Upon receipt of such notice, the Indemnifying Party shall then have a period of 30 days within which to respond in writing (the **Response Period**). If the Indemnifying Party does

not so respond within the Response Period, the Indemnifying Party shall be deemed to have rejected such Claim, and the procedures set forth in Article 9 shall apply.

8.5 Duty to Mitigate and Subrogation

(a) Nothing in this Agreement in any way restricts or limits any general obligation at Law of an Airbus Indemnified Person or a Bombardier Indemnified Person, as the case may be, seeking indemnification hereunder (an **Indemnified Person**) to mitigate any Damages which it may suffer or incur in respect therewith. The amount of Damages under this Article 8 will be determined net of any amounts offset or recovered by the Indemnified Person:

- (i) pursuant to the use of available Tax attributes (including losses for Tax purposes) of the CSALP Entities or the Acquired Cancos that were available immediately after Closing (as adjusted for any other Third Party Claim), provided such attributes can be used under applicable Law to reduce Taxes payable in the same or the subsequent fiscal year such Taxes resulting from the Damages are or become payable, and the Airbus Indemnified Person, the CSALP Entities and the Acquired Cancos, as applicable, shall use all commercially reasonable efforts, in accordance with applicable Law, to use such Tax attributes;
- (ii) under insurance policies, indemnities, reimbursement arrangements or similar agreements (excluding self-insurance arrangements) with respect to such Damages, less the costs and expenses incurred by the Indemnified Person to collect any such insurance proceeds (including reasonable attorneys' fees, any deductibles or self-insured retentions, any increases in premium or any retroactive premium adjustments directly related to obtaining such insurance proceeds);

and in each case the Indemnified Person, the CSALP Entities and the Acquired Cancos, as applicable, shall use commercially reasonable efforts to use such Tax attributes and obtain and enforce such recovery (as applicable).

(b) To the extent that a Party indemnifying hereunder (the **Indemnifying Party**) or an insurer has discharged any Claim for indemnification, the Indemnified Person shall, to the fullest extent permitted by Law, subrogate its rights to the Indemnifying Party or the insurer to the extent of the Damages that relate to such Claim, and will make all counterclaims and join in any litigation all other Persons as may be reasonably required by the Indemnifying Party or the insurer, the whole at the costs and expenses of the Indemnifying Party, provided that the Indemnifying Person shall not be entitled to subrogate against the Persons set forth in Section 8.3(b)(i) without the prior written consent of the Indemnified Person.

8.6 Time Limitations

(a) All representations and warranties made by the Parties contained in this Agreement and in the certificates delivered pursuant to Sections 6.1(a), 6.1(b) and 6.2(a) will terminate [] following the Closing Date, except:

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(i) in the case of fraud, intentional misrepresentation, or deliberate or willful breach, in which case liability will survive and continue in full force and effect without limitation of time;

(ii) to the extent that, during such [] period, an Airbus Indemnified Person or a Bombardier Indemnified Person has given notice of a Claim in respect of any such representation or warranty, in which case liability therefor will

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survive and continue in full force and effect until the final determination of such Claim;

- (iii) the Bombardier Core Representations and the CSALP Entities Core Representations and the liability in connection therewith will survive and continue in full force and effect indefinitely; and
 - (iv) the representations and warranties set forth in Section 3.1(ff) and Section 3.2(n) with respect to Tax matters shall survive the Closing and continue for a period ending ninety (90) days following the expiration of all prescription periods pursuant to applicable Laws, including, all periods allowed for objecting to and appealing from the determination of any proceedings relating to any assessment or reassessment of any CSALP Entity or any Acquired Canco in respect of any taxation period to which such representations and warranties extend, taking into account any waiver or similar document extending such period.
- (b) No Indemnified Person is entitled to indemnification pursuant to this Article 8 unless such Indemnified Person has given written notice of its Claim for indemnification pursuant to Section 8.3(a) or Section 8.4, as the case may be, within the survival periods specified in the foregoing provisions of this Section 8.6.
- (c) The covenants, obligations and agreements of each Party contained in this Agreement shall survive the Closing and continue without time limit.

8.7 Limitation on Liability

Notwithstanding the foregoing provisions of this Article 8:

- (a) notwithstanding anything to the contrary contained in this Agreement or in any other Related Agreement, to the extent that any payments are made hereunder in respect of any matter relating to or arising out of this Agreement, no duplicate recovery shall be available hereunder or under any Related Agreement.
- (b) (i) Bombardier shall have no liability in this Agreement, and no Damages may be recovered from Bombardier with respect to (x) a claim made by an Airbus Indemnified Person in accordance with Section 8.1(a)(i) or Section 8.1(b)(i) unless such Airbus Indemnified Person's Damages exceed, in the aggregate, an amount equal to at least [] in which case the liability of Bombardier is solely for the amount of such Damages in excess of []; (y) a claim made by an Airbus Indemnified Person in accordance with Section 8.1(b)(vi) unless such Airbus Indemnified Person's Damages exceed, in the aggregate, an amount equal to at least [], in which case the liability of Bombardier is solely for the amount of such Damages in excess of []; and (z) a claim made by an Airbus Indemnified Person in accordance with Section 8.1(b)(vii) unless such Airbus Indemnified Person's Damages exceed, in the aggregate, an amount equal to at least [], in which case the liability of Bombardier is solely for the amount of such Damages in excess of []; and (ii) the liability of Bombardier in respect of claims of the Airbus Indemnified Persons for Damages under Section 8.1(a)(i), Section 8.1(b)(i), Section 8.1(b)(vi) or Section 8.1(b)(vii) shall not exceed, in the aggregate, [] except in each case for (A) Damages arising from breaches to the Bombardier Core Representations or the CSALP Core Representations; and (B) in the case of fraud, intentional misrepresentation or deliberate or willful breach by Bombardier for which no limit shall apply.
- (c) no Party shall have any liability hereunder with respect to exemplary or punitive Damages except in any such case (i) such Damages are payable to a third party with respect to a Third Party Claim, for which an Indemnified Person is seeking indemnification hereunder;

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or (ii) such Damages arise from fraud, or intentional misrepresentation or deliberate or willful breach.

8.8 Exclusive Remedies

The rights and remedies that a Party may have against the other Party(ies) for a breach of any representation, warranty, covenant or obligation under this Agreement are exclusively governed by this Agreement. Accordingly, each Party waives any and all rights, remedies and claims that it may have against another Party, whether at Law, or otherwise, directly or indirectly, relating to a breach of any representation, warranty, covenant or obligation under this Agreement other than: (i) with respect to the period prior to the Effective Time, the right to terminate this Agreement in accordance with, and subject to the provisions of, Article 7; (ii) the rights of indemnity set forth in this Article 8; (iii) with respect to any incorrectness, misrepresentation or breach of the representations and warranties in Section 3.1(r) (Sufficiency of Assets) and/or Section 3.1(t)(iv) (Sufficiency of Assets – Intellectual Property), the right to be placed in the same position that it would have been in had the representations and warranties been true and correct, by requiring that the Indemnifying Party make the relevant assets, properties and rights (in the case of Section 3.1(r)) or Intellectual Property Rights (in the case of Section 3.1(t)) available to the CSALP Entities as contemplated in the relevant representation and warranty (and, for the avoidance of doubt, no limitation or exclusion of liability shall apply to the obligation to so make available), provided that if such specific performance cannot be enforced or is not sufficient to make the Indemnified Person whole, then such Indemnified Person can claim Damages hereunder; and (iv) any injunctive relief or any other procedural remedies the purpose of which is to force specific performance of an obligation, including the right to enforce specifically the terms and provisions hereof in order for Closing to occur where a Party hereto does not consummate, or cause to be consummated, the Closing Transactions on the Closing Date and as otherwise set forth herein where all conditions to Closing in favour of such Party have been met (other than those conditions that by their nature can only be satisfied as of the Closing Date) or waived in accordance with the terms hereof.

8.9 Payment of Indemnity and Tax Treatment

- (a) Any amount payable by an Indemnifying Party pursuant to a Third Party Claim shall be paid in accordance with the terms of the final judgment or settlement with respect to the Third Party Claim.
- (b) If any amount in respect of a Direct Claim or a Third Party Claim becomes payable by an Indemnifying Party, such amount shall be paid by the Indemnifying Party within three Business Days after the Indemnified Person becomes entitled to indemnification by wire transfer of immediately available funds to an account designated by the Indemnified Person, with any such amount remaining unpaid upon a BBD Specified Event Purchase Price Payment Date or the closing of a Class B Units Demand Sale being deducted, set off and compensated against the aggregate BBD Specified Event Purchase Price or the Class B Units Demand Purchase Price, as the case may be, the whole in accordance with the Transfer Rights Agreement.
- (c) Any amount payable to Airbus, the Acquired Cancos or their respective Representatives as an indemnity payment under this Article 8 shall be treated by the Parties as an adjustment to the value of the consideration referred to in Sections 2.2 to 2.5, as the case may be.
- (d) With respect to any amount payable to the CSALP Entities or their Representatives as an indemnity payment under this Article 8, Bombardier shall contribute, directly or indirectly, to the Managing General Partner and/or CSALP, as applicable, an amount equal to such amount, without any consideration, including for purposes of clarity the issuance of any shares of the Managing General Partner or Units.

8.10 Contractual Currency

To the extent permitted by applicable Law, if any Order expressed in a currency other than the Contractual Currency is rendered (i) for the payment of any amount owing in respect of this Agreement; or (ii) in respect of an Order of another court, tribunal or arbitrator for the payment of any amount described in the immediately preceding clause (i), the Party seeking recovery, after recovery in full of the aggregate amount to which such party is entitled pursuant to the Order, shall be entitled to receive immediately from the other Party(ies) the amount of any shortfall of the Contractual Currency received by such Party as a consequence of sums paid in such other currency and shall refund promptly to the other Party(ies) any excess of the Contractual Currency received by such Party as a consequence of sums paid in such other currency if such shortfall or such excess arises or results from any variation between the rate of exchange at which the Contractual Currency is converted into the currency of the Order for the purposes of such Order and the rate of exchange at which such Party is able, acting in a reasonable manner and in good faith in converting the currency received into the Contractual Currency, to purchase the Contractual Currency with the amount of the currency of the Order actually received by such Party. The term "rate of exchange" includes any premiums and costs of exchange payable in connection with the purchase of or conversion into the Contractual Currency. To the extent permitted by applicable Law, this indemnity constitutes a separate and independent obligation from the other obligations in this Agreement, shall be enforceable as separate and independent cause of action, shall apply notwithstanding any indulgence granted by the Party to which any payment is owed and shall not be affected by Order being obtained or claim or proof being made for any other sums payable in respect of this Agreement.

Article 9 DISPUTES

9.1 Good Faith Discussion of Disputes

If any dispute, claim, question or difference arises out of or in relation to the Related Agreements or any breach hereof (the **Dispute**), any Party may give written notice to the other Party(ies). The Parties shall act in good faith to discuss the settlement of the Dispute. To this effect, they shall consult with each other, in good faith and understanding of their mutual interests, to discuss a just and equitable solution satisfactory to all of the Parties. If a mutually satisfactory solution cannot be reached by the Parties within a period of twenty (20) Business Days following the date of the delivery of the aforementioned written notice of Dispute, any Party may refer the Dispute to final and binding arbitration in accordance with Section 9.2. For greater certainty, this Section 9.1 shall not prevent a party from seeking immediate injunctive or similar provisional relief.

9.2 Arbitration

- (a) Any Dispute that is not resolved through the consultation and discussion process described in Section 9.1 shall be referred to final and binding arbitration in accordance with the arbitration rules (the **Rules**) of the International Chamber of Commerce (**ICC**). When a party to the Dispute wishes to submit a Dispute to arbitration, it shall submit a written notice of arbitration to the other party to the Dispute.
- (b) This arbitration provision will be governed by and interpreted and enforced in accordance with the Laws applicable in the Province of Québec, and all rights and remedies shall be governed by such Laws (excluding any conflict of laws rule or principle, foreign or domestic, which might refer such interpretation to the laws of another jurisdiction).
- (c) There shall be 3 arbitrators. For purposes of determining the members of the arbitration tribunal, each of the claimant(s) and respondent(s) to the Dispute shall appoint

1 arbitrator respectively, and the 3rd arbitrator, who shall act as chairperson of the arbitral tribunal, shall be appointed by the ICC. The arbitrator named by the party to the Dispute who submitted the Dispute to arbitration shall be named in its notice of arbitration and the other party to the Dispute shall give notice of its choice of arbitrator within ten (10) Business Days of its receipt of the notice of arbitration.

- (d) The seat of the arbitration shall be London, England. The language to be used in the arbitral proceedings shall be English.
- (e) The Parties agree that Claims under the Related Agreements may be determined together in a single arbitration. Moreover, the Parties agree that two or more arbitrations pending in respect of any of the Related Agreements may be consolidated, unless consolidation would prejudice the rights of any Party, if the arbitration proceedings that are to be consolidated raise common questions of law or fact.
- (f) In the event of any conflict between the Rules and the Related Agreements, the Parties agree that the Related Agreements shall prevail over the Rules.
- (g) The Parties undertake to keep confidential the arbitration itself and all awards in their arbitration, together with all materials in the proceedings created for the purpose of the arbitration and all other documents produced by another party in the proceedings not otherwise in the public domain, save and to the extent that disclosure may be required of a Party by legal duty, to pursue a legal right or to enforce or challenge an award in legal proceedings before a court or other judicial authority.
- (h) Nothing in this Agreement shall prevent any Party from seeking provisional measures from any court of competent jurisdiction, and this Section 9.2 shall not apply to Third Party Claims for which a particular process is set forth in Article 8. Any such request shall not be deemed incompatible with this agreement to arbitrate or a waiver of the right to arbitrate. The Parties irrevocably attorn to the non-exclusive jurisdiction of the courts located in the Province of Québec for any such request.
- (i) Judgment upon any award(s) rendered by the arbitral tribunal may be entered in any court having jurisdiction thereof. The Parties irrevocably attorn to the non-exclusive jurisdiction of the courts located in the Province of Québec for recognition and enforcement of any award(s).
- (j) Any award by the tribunal (including with respect to the payment of fees and disbursements related to the arbitration) shall be final, binding and without appeal.

Article 10 GENERAL

10.1 Further Assurances

From time to time either before or after the Closing Date, each Party shall, at the request of any other Party, execute and deliver such additional conveyances, transfers and other assurances and do all such other acts or things as may be reasonably required for the implementation of the Closing Transactions and to carry out the purposes and intent of the Related Agreements.

10.2 Public Disclosure

Unless prohibited by Law or by any securities exchange, the Parties shall consult each other before disclosing the terms and conditions of any of the Related Agreements, or issuing any press release, or making any public announcement relating to or connected with or arising out of

this Agreement or the matters contained herein (it being understood that the consent of each Party shall be required before disclosing the terms and conditions of, or making any public announcement relating to, any of the Ancillary Agreements, which consent shall not be unreasonably withheld, delayed or conditioned), provided that if disclosure is required by Law or by any securities exchange, the Party who is or whose Affiliate is so required to make such disclosure shall use commercially reasonable efforts to reflect such other Parties' concerns in the required disclosure.

10.3 Successors and Assigns

This Agreement shall be binding upon and enure to the benefit of the Parties and their respective successors and permitted assigns. Neither this Agreement nor any of the rights or obligations under this Agreement shall be assignable or transferable by any Party without the prior written consent of all of the Parties, except that Airbus may assign all or any portion of its rights and obligations under this Agreement to any of its Affiliates, but none of any such assignments shall (a) relieve Airbus of its obligations hereunder; (b) impair, delay or prevent the satisfaction of any other conditions set forth in Article 6; or (c) impair, delay or prevent the consummation of the transactions contemplated by this Agreement.

10.4 Governing Law

This Agreement and the rights of the Parties hereunder arising out of or related to this Agreement or the transactions contemplated hereunder shall be interpreted in accordance with the Laws applicable in the Province of Québec and all rights and remedies shall be governed by such Laws (excluding any conflict of laws rule or principle, foreign or domestic, which might refer such interpretation to the laws of another jurisdiction). Subject to Article 9, the Parties hereby irrevocably and unconditionally submit to the exclusive jurisdiction of the courts of the Province of Québec and elect domicile in the City of Montreal with respect to any matter relating to the execution or construction of this Agreement or the exercise of any right or the enforcement of any obligation arising hereunder (excluding any conflict of forum rule or principle, foreign or domestic, which might refer such matter to the courts of another jurisdiction).

10.5 Notices

All notices and other communications pursuant to this Agreement shall be in writing and shall be deemed given if delivered personally, sent by email or a nationally-recognized overnight courier or mailed by registered or certified mail (return receipt requested), postage prepaid, to the Parties at the addresses set forth below or to such other address as the Party to whom notice is to be given may have furnished to the other Parties in writing in accordance with this Section 10.5. Any such notice or communication shall be deemed to have been delivered and received (a) in the case of personal delivery, on the date of such delivery; (b) in the case of email, on the date sent if confirmation of receipt is received or recipient otherwise acknowledges receipt; (c) in the case of a nationally-recognized overnight courier in circumstances under which such courier guarantees next business day delivery, on the next business day after the date when sent and (d) in the case of mailing, on the third Business Day following that on which the envelope containing such communication is posted:

- Airbus SE
2 rond-point Emile Dewoitine
31700 Blagnac
France

Attention: []
Email: []

Redacted
contact
information
as
confidential.

1155 René-Lévesque Blvd. West
41st Floor
Montreal , Québec H3B 3V2
Canada

Attention: Marc B. Barbeau and Sophie Lamonde
Email: mbarbeau@stikeman.com / slamonde@stikeman.com

- Bombardier Inc.
800 René-Lévesque Blvd. West
Montreal, Québec H3B 1Y8
Canada

Attention: []
Email: []

Redacted
contact
information
as
confidential.

with a copy (which does not constitute notice to Bombardier) to Norton Rose Fulbright Canada LLP, at:

1 Place Ville Marie, Suite 2500
Montreal, Québec H3B 1R1
Canada

Attention: Paul Raymond and Nicolas Labrecque
Email: paul.raymond@nortonrosefulbright.com /
nicolas.labrecque@nortonrosefulbright.com

- C Series Aircraft Managing GP Inc.
13100 Henri-Fabre Blvd.
Mirabel, Québec J7N 3C6

Attention: []
Email: []

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contact
information
as
confidential.

with a copy (which shall not constitute a notice to the Managing General Partner or CSALP, as the case may be) to Bombardier, provided the Managing General Partner or CSALP, as the case may be, is a Subsidiary of Bombardier at the time the notice is sent.

The failure to send or deliver a copy of a notice to legal counsel of any Party as set forth above shall not invalidate any notice given under this Section 10.5.

10.6 Time of the Essence

Time is of the essence of this Agreement. The mere lapse of time in the performance of the terms of this Agreement by any Party shall have the effect of putting such Party in default in accordance with Articles 1594 to 1600 of the Civil Code of Québec.

10.7 Severability

If any provision of this Agreement is determined by an arbitrator or a court to be invalid or unenforceable, that determination shall not affect the other provisions hereof, each of which shall be construed and enforced as if the invalid or unenforceable portion were not contained herein. The Parties will negotiate in good faith to agree to a substitute provision that will be as close as possible to the intention of any invalid or unenforceable provision while being valid and enforceable. Such invalidity or unenforceability shall not affect any valid and enforceable application thereof, and each such provision shall be deemed to be effective, operative, made, entered into or taken in the manner and to the full extent permitted by Law.

10.8 Entire Agreement

The Related Agreements, together with the Confidentiality Agreement, constitute the entire agreement between the Parties with respect to the transactions contemplated hereof and thereof and supersedes all prior meetings, communications, representations, negotiations, contracts or agreements (including any prior drafts thereof), of the Parties in respect thereof, whether oral or written, none of which shall be used as evidence of the Parties' intent. In addition, each Party acknowledges and agrees that all prior drafts of this Agreement contain attorney work product and shall in all respects be subject to the foregoing sentence. There are no representations, warranties, covenants, conditions or other agreements, express or implied, collateral, statutory or otherwise, among the Parties in connection with the subject matter of this Agreement, except as specifically set forth in the Related Agreements.

10.9 Waiver or Consents

A waiver or consent, express or implied, to or of any breach or default by any Party in the performance by that Party of its obligations hereunder is not a consent or waiver to or of any other breach or default in the performance by that Party of the same or any other obligations of that Party hereunder. Failure on the part of a Party to complain of any act of any Party or to declare any Party in default with respect to this Agreement, irrespective of how long that failure continues, does not constitute a waiver by that Party of its rights with respect to that default until the applicable statute-of-limitations period has run, nor shall any single or partial exercise of any such right preclude any other or further exercise of such right or the exercise of any other right.

10.10 Counterparts and Facsimile

This Agreement may be executed in multiple counterparts with the same effect as if all signing Parties had signed the same document. All counterparts shall be construed together and constitute the same instrument. This Agreement and the other agreements or instruments contemplated hereby, and any amendments hereto or thereto, to the extent signed and delivered by means of a facsimile machine or electronic delivery (i.e., by email of a PDF signature page) shall be treated in all manner and respects as an original agreement or instrument and shall be considered to have the same binding legal effect as if it were the original signed version thereof delivered in person. At the request of any Party hereto or to any such agreement or instrument, each other Party hereto or thereto shall re-execute original forms thereof and deliver them to all other Parties. No Party hereto or to any such agreement or instrument shall raise the use of a

facsimile machine or electronic delivery to deliver a signature or the fact that any signature or agreement or instrument was transmitted or communicated through the use of a facsimile machine or by electronic delivery as a defence to the formation or enforceability of a contract and each Party forever waives any such defence.

10.11 Expenses

All costs and expenses (including the reasonable fees and disbursements of legal counsel, consultants and accountants) incurred by a Party to this Agreement in connection with the Related Agreements and the transactions contemplated therein, including the due diligence performed by or on behalf of Airbus in connection with the Closing Transactions, shall be paid by the Party incurring such costs and expenses.

10.12 Amendments

This Agreement may only be amended, supplemented or otherwise modified by written agreement signed by all Parties.

10.13 No Third Party Rights

Except as expressly provided herein, the provisions of this Agreement are solely for the benefit of the Parties hereto, and no other Person, including creditors of a Party, shall have any right or claim against any Party by reason of this Agreement or any provision hereof or be entitled to enforce any provision of this Agreement.

{Signature page follows}

IN WITNESS WHEREOF the Parties have executed this Agreement as of the date first written above

AIRBUS SE

Per: (signed) June du Halgouët
Name: June du Halgouët
Title: Head of Mergers & Acquisitions

BOMBARDIER INC.

Per: (signed) Daniel Desjardins
Name: Daniel Desjardins
Title: Senior Vice President, General Counsel and Corporate Secretary

Per: (signed) Louis G. Véronneau
Name: Louis G. Véronneau
Title: Vice President, Mergers and Acquisitions

9268430 CANADA INC.

Per: (signed) John Di Bert
Name: John Di Bert
Title: President

Per: (signed) Daniel Desjardins
Name: Daniel Desjardins
Title: Vice President

9268448 CANADA INC.

Per: (signed) John Di Bert

Name: John Di Bert

Title: President

Per: (signed) Daniel Desjardins

Name: Daniel Desjardins

Title: Vice President

**C SERIES AIRCRAFT LIMITED PARTNERSHIP,
acting through its managing general partner
C SERIES AIRCRAFT MANAGING GP INC.**

Per: (signed) John Di Bert

Name: John Di Bert

Title: Vice President

Per: (signed) Daniel Desjardins

Name: Daniel Desjardins

Title: Vice President

C SERIES AIRCRAFT MANAGING GP INC.

Per: (signed) John Di Bert

Name: John Di Bert

Title: Vice President

Per: (signed) Daniel Desjardins

Name: Daniel Desjardins

Title: Vice President

C SERIES AIRCRAFT PROPERTIES INC.

Per: (signed) John Di Bert

Name: John Di Bert

Title: Vice President

Per: (signed) Daniel Desjardins

Name: Daniel Desjardins

Title: Vice President

PUBLIC DOCUMENT

EXHIBIT C



Jim Justice
Governor of West Virginia

August 24, 2017

The Honorable Wilbur Ross
Department of Commerce
Washington, D.C. 20230

The Honorable Gary Cohn
National Economic Council
Washington, D.C. 20500

The Honorable Rhonda K. Schmidlein
U.S. International Trade Commission
Washington, D.C. 20436

The Honorable Robert E. Lighthizer
United States Trade Representative
Washington, D.C. 20508

Dear Secretary Ross, Chairman Schmidlein, Director Cohn, and Amb. Lighthizer:

The International Trade Commission and U.S. Department of Commerce are currently reviewing an anti-dumping and countervailing duty case concerning the new C Series commercial aircraft built by Bombardier. I understand and support strong enforcement of U.S. trade laws, but I am writing to raise a potential concern in this instance, specifically the unintended negative economic impacts this case could generate for West Virginia and the greater United States. I am referring to the consequences this process could have on an aircraft that contains significant U.S. content as well as high promise for creating jobs and economic benefit in this country.

Bombardier employs more than 400 West Virginians at a commercial aircraft service center in Bridgeport, which it has operated for nearly 25 years. This service center anchors an aerospace cluster in North-Central West Virginia, and is a major factor in the region's economic growth and vitality. In 2004, Bombardier founded a local training program that in recent years has focused on retraining coal miners to be aviation technicians, and, just this spring, Bombardier announced a new apprenticeship program that drew hundreds of applicants and will initially fill 50 new positions at this growing site. In short, Bombardier provides solid middle-class jobs for West Virginians and a consistent, positive economic impact in my state.

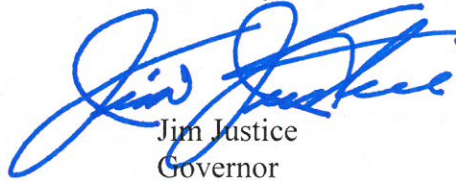
The C Series itself is largely a product of the U.S. aerospace industry and underscores the need to carefully consider unintended economic outcomes that could rise out of this proceeding. It is important to understand that while the plane is assembled in Canada, more than 50 percent of the aircraft's content is sourced from U.S.-based suppliers, providing jobs for workers across the United States. In fact, Bombardier projects the C Series program will drive more than \$30

OFFICE OF THE GOVERNOR

billion in business for U.S. suppliers, and support more than 22,700 direct, indirect, and induced U.S. jobs over the program's span. That could include long-term, after-market maintenance and services work at the company's network of U.S. aircraft service centers, including the Bridgeport facility in West Virginia.

I am a strong advocate of enforcing free and fair trade practices that advance U.S. interests, but I am also aware of Bombardier's operations in the United States and the estimable benefits they generate here. The potential for unintended collateral consequences in this case is an important factor worthy of consideration. In light of these points, I urge you to work with the parties involved to encourage an alternative solution that considers jobs created by both sides in this proceeding and that supports sustained economic growth for our country.

Sincerely,

A handwritten signature in blue ink, appearing to read "Jim Justice", is written over the printed name and title.

Jim Justice
Governor

PUBLIC VERSION

EXHIBIT D

AFFIDAVIT OF []

The undersigned, [], being duly sworn, states of his own knowledge that:

1. I am currently [] Bombardier Inc.
("Bombardier").
2. I was part of the corporate team that developed the strategy for approaching Airbus SE ("Airbus") and that analyzed the effect the U.S. Final Assembly Line would have on the U.S. economy.
3. As a result of the foregoing activities, I have knowledge of the definitive investment agreement entered into between Bombardier and Airbus on October 16, 2017.
4. The partnership with Airbus, if consummated, would support current C Series operations and would also increase the C Series global footprint, including through new job creation and direct investment in the United States.
5. Prior to the partnership with Airbus, Bombardier estimated that at full capacity over 22,700 jobs in the United States would be supported by the C Series program, which was projected to drive more than \$30 billion in business with U.S. suppliers.

Components from these U.S. suppliers comprise more than 50 percent of C Series content.

6. Bombardier's aforementioned role in supporting the U.S. economy would be further enhanced as a result of the partnership with Airbus, if approved, and the implementation of a U.S. Final Assembly Line.
7. For example, Bombardier estimates that the partnership with Airbus, if approved, would create over 8,000 additional direct, indirect, and induced jobs in the United States, of which over 2,000 are expected to be permanent jobs and over 6,000 person year jobs are expected to be created as a result of the establishment of the necessary U.S. C Series facilities.
8. The breakdown of 1,950 to 2,450 permanent jobs is as follows: 400 to 500 direct jobs, 550 to 700 indirect jobs, and 1,000 to 1,250 induced jobs. The estimates of direct jobs are based on Bombardier estimates assuming current understanding of final assembly line scope. The estimates of indirect jobs are based on an indirect to direct employment ratio for aerospace of 1.4. (Source: AIA, Aerospace & Defense Economic Impact Analysis 2016 provided by HIS Economics). The estimates of induced jobs are based on an induced to direct and indirect jobs ratio of 1.06. (Source: Economic Policy Institute). Figures have been rounded.


9. The breakdown of approximately 6,000 person year jobs related to establishing the C Series facilities in the United States is 1,900 direct jobs, 1,000 indirect jobs, and 3,000 induced jobs. These estimates are based on a construction cost of \$300 million using Bombardier experience of similar executed and planned construction projects. The direct job impact is based on ratio of 6.29 jobs per \$1 million of construction spent. (Source: Employment requirement tables for 2016 (REAL EMPREQ) published by the US Bureau of Labor). The indirect job impact is based on ratio of 3.25 jobs for \$1 million of construction spent. (Employment requirement tables for 2016 (REAL EMPREQ) published by the US Bureau of Labor; difference between total direct and indirect employment and direct employment). Induced jobs are based on an induced to direct and indirect jobs ratio of 1.06. (Source: Economic Policy Institute). These jobs are in person years and are expected to be spread over approximately two years. Figures have been rounded.
10. According to estimates by Bombardier, the creation of these facilities would contribute over \$300 million of new foreign direct investment into the United States.
11. As a result of the investment agreement with Airbus, [
-]

I, [] , declare under penalty of perjury that the foregoing is true and accurate to the best of my knowledge.

[]
[]
[Signature]

Dated: Nov. 6, 2017

Subscribed and Sworn to me this 6th day of November, 2017.


Commissioner of Oaths
#173084

PUBLIC DOCUMENT

EXHIBIT E

• • • • •

AIRBUS & BOMBARDIER

C Series

A Winning Partnership

17 October 2017

• • • • •

SAFE HARBOUR STATEMENT

DISCLAIMER

This presentation includes forward-looking statements, including in respect of the transaction pursuant to which Airbus would acquire a majority interest in the C Series aircraft program and benefits expected to result from such transaction. Words such as “anticipates”, “believes”, “estimates”, “expects”, “intends”, “plans”, “projects”, “may” and similar expressions are used to identify these forward-looking statements. Examples of forward-looking statements include statements made about strategy, ramp-up and delivery schedules, introduction of new products and services and market expectations, as well as statements regarding future performance and outlook. By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances and there are many factors that could cause actual results and developments to differ materially from those expressed or implied by these forward-looking statements. These factors include but are not limited to:

- Changes in general economic, political or market conditions, including the cyclical nature of some of Airbus’ businesses;
- Significant disruptions in air travel (including as a result of terrorist attacks);
- Ability and timing to obtain regulatory and other approvals for the C Series aircraft program transaction;
- Ability to successfully integrate the C Series aircraft program in collaboration with program partners;
- Ability to realize the expected benefits of the C Series aircraft program transaction;
- Currency exchange rate fluctuations, in particular between the Euro and the U.S. dollar;
- The successful execution of internal performance plans, including cost reduction and productivity efforts;
- Product performance risks, as well as programme development and management risks;
- Customer, supplier and subcontractor performance or contract negotiations, including financing issues;
- Competition and consolidation in the aerospace and defence industry;
- Significant collective bargaining labour disputes;
- The outcome of political and legal processes including the availability of government financing for certain programmes and the size of defence and space procurement budgets;
- Research and development costs in connection with new products;
- Legal, financial and governmental risks related to international transactions; and
- Legal and investigatory proceedings and other economic, political and technological risks and uncertainties.

As a result, Airbus’ actual results may differ materially from the plans, goals and expectations set forth in such forward-looking statements. For a discussion of factors that could cause future results to differ from such forward-looking statements, see the Airbus “Registration Document” dated 4 April 2017, including the Risk Factors section. Any forward-looking statement contained in this presentation speaks as of the date of this presentation. Except as required by law, Airbus undertakes no obligation to publicly revise or update any forward-looking statements in light of new information, future events or otherwise.

Airbus cautions that the transaction described in this presentation is subject to certain conditions precedent, including regulatory and other approvals, and at there can be no assurance that such transaction will eventually be implemented, or as to the timing or terms that might be agreed.

A WINNING PARTNERSHIP

A320 Family



C Series



- Airbus and Bombardier enter into a partnership on C Series
- Combination of Airbus' global reach and scale with Bombardier's innovative new aircraft
- Significant long term value creation

STRATEGIC RATIONALE



**Improves Single-Aisle portfolio,
largest and fastest growing market segment**



**Airbus, the right partner
to unlock the full potential of the C Series**

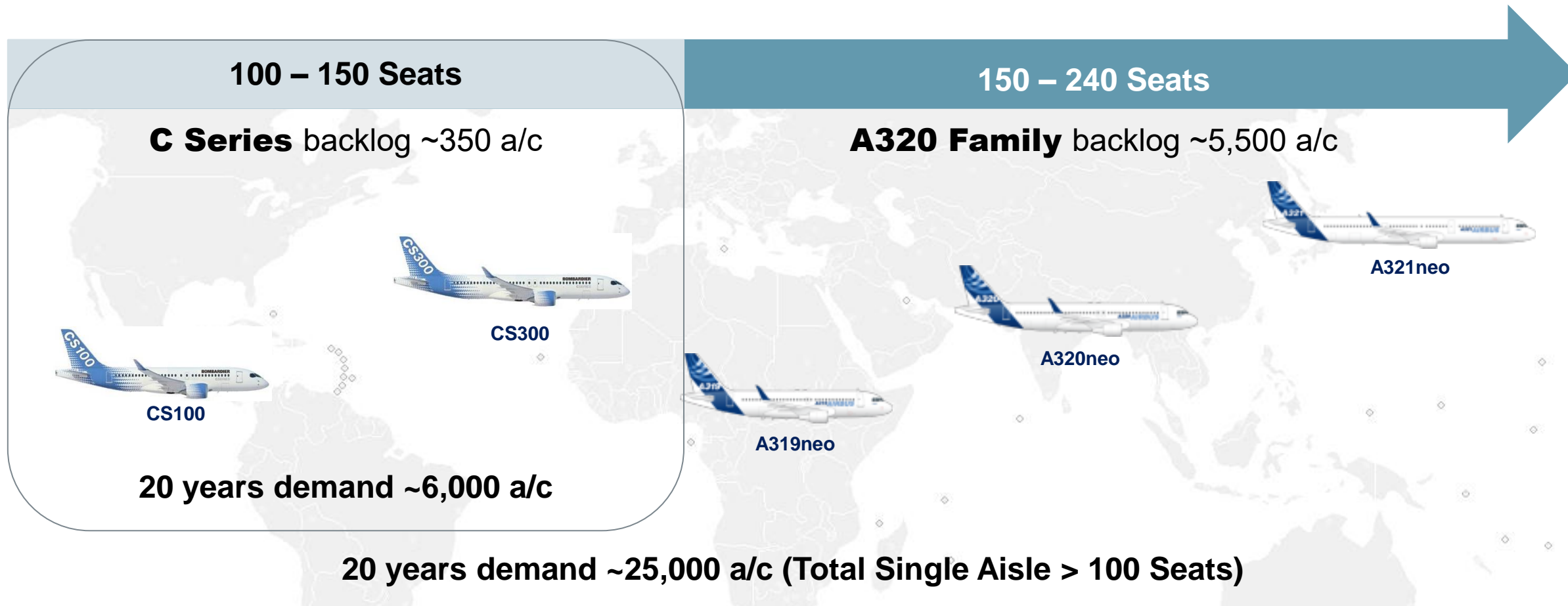


Strengthening Airbus global industrial footprint



**Good transaction timing
given C Series programme maturity**

EXTENDED ACCESS TO THE SINGLE-AISLE MARKET



C Series complementary to Airbus offering across the full SA range
Potential to develop harmonized product family over time

VALUE GENERATION

Unlocking the full potential of the C Series

Commercial



Developing and accelerating C Series commercial momentum

- Airbus' proven sales expertise and global network
- Combined customer relationship
- Product support and continuing improvements

Industrial



Generating significant C Series production cost savings

- Commercial momentum leverage in the supply chain
- Airbus' supply chain expertise
- Future benefits from product commonality

KEY FINANCIAL ASPECTS



C Series development spend almost completed



Acquisition of operational control without any cash contribution at closing



Funding until closing borne by seller



No financial debt at closing



Limited financial exposure after closing



Value creation from synergies

TRANSACTION HIGHLIGHTS

Ownership Structure

- Airbus acquires 50.01% shareholding and enters into certain commercial agreements
- Approximate 31% and 19% ownership for Bombardier and Investissement Québec (IQ) respectively

Commercial Agreements

- Sales and marketing support services for the C Series
- Management of procurement
- Customer support

Funding

- Before closing borne by seller; at closing free of financial debt
- After closing up to USD 700m committed by seller via issuance of non-voting participating shares of CSALP with cumulative annual dividends of 2%

Put/Call Rights

- Call rights for Airbus on Bombardier's interest in CSALP at fair market value after 7.5 years
- Call right on participating shares capped at invested amount plus accrued but unpaid dividends and exercisable from day one
- Put right for Bombardier and IQ on their respective interest at fair market value after 7.5 and 4.5 years
- Warrants for Airbus to acquire up to 100m Class B shares in the capital of Bombardier at an exercise price per share of CAD 2.29

Governance

- Board composed of 7 directors, 4 of which would be designated by Airbus
- Chairman of the Board to be appointed by Airbus

SUMMARY



**A complementary Single
Aisle portfolio**



**Significant C Series
production costs
savings anticipated**



**New commercial momentum
in Single Aisle segment**



**Favourable timing, no cash
contribution at closing and
limited exposure**



**Airbus' global industrial footprint
expanding**



**Value creation for our customers,
employees, suppliers and
shareholders**

AIR equity story intact with longer term upside potential