GENERAL PURCHASING CONDITIONS

AERONAUTICAL SUPPLIES

SAFRAN GROUP

SAFRAN

SAFRAN GROUP
GENERAL PURCHASING CONDITIONS OF AERONAUTICAL SUPPLIES

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THE PURPOSE OF THESE GENERAL PURCHASING CONDITIONS IS TO DEFINE THE EXPECTATIONS OF THE SAFRAN GROUP COMPANIES REGARDING THE PURCHASING CONDITIONS OF AERONAUTICAL PRODUCTS AND/OR SERVICES. WITHIN THE FRAMEWORK OF THE NEGOTIATIONS WITH THE SUPPLIER THESE CONDITIONS ARE SUGGESTED IN ORDER TO SET THE TERMS AND CONDITIONS WHICH WILL APPLY TO THE ORDERS ISSUED BY THE SAFRAN GROUP COMPANIES. THEY CONSTITUTE A LEGALLY BINDING AGREEMENT WHEN ACCEPTED BY THE SUPPLIER, WHETHER SUCH ACCEPTANCE IS GIVEN AS IS OR AFTER BEING SUPPLEMENTED OR MODIFIED BY AN AMENDMENT SIGNED BY BOTH PARTIES.

1 - DEFINITIONS

Acceptance report: Document signed by both Parties, confirming the acceptance of the Supply.

Background: Documents, knowledge, data, plans, methods, processes, drawings, software, models, patented or not, protected or not, including know-how, and more generally, any information whatever its nature or its medium, for which a Party is the owner, the author, or the licensee before the coming into force of an Order or after an Order but without access to the other Party's Background.

Certificate of conformity: Document provided by the Supplier, under its own responsibility, declaring the conformity of the Supply with respect to all applicable standards and other regulations and requirements in force. The document shall be established in accordance with the provisions of the Order or the agreement if applicable (or alternatively in accordance with the standard AS/EN/JISQ 9163) and where applicable, completed by export control requirements (ITAR for instance).

Confidential information: All information of whatever nature (including but not limited to electronic data) entrusted to the Supplier by the Purchaser for the purpose of performance of the Order, or to which the Supplier may have access through the Purchaser's information system, or as a result of its presence on the premises of the Purchaser and/or another Safran Group Company.

Contractual Security Requirements: Document listing Safran Group Companies security requirements that the Supplier must comply with and ensure compliance of by its personnel and sub-contractors, in the framework of the performance of an Order, to ensure, on the one hand, the availability, access control, confidentiality, integrity of data disclosed via the Information Systems, as well as the tracking of actions performed on said systems, and, on the other hand, the physical protection measures required by the Purchaser considering the sensibility and criticality of the information in relation with the performance of the Order.

Documentation: Any document issued or provided by the Supplier necessary for the achievement, manufacturing, installation, use, operation, maintenance, repair and overhaul of the Supply and/or Specialized Equipment by the Purchaser.

Entrusted Property: Elements entrusted by the Purchaser to the Supplier and placed under the control and responsibility of the latter, including any procurements as well as Specialized Equipment manufactured by the Supplier, on behalf and at the cost of the Purchaser, with a view to the performance of the Order.

Final Client: Client of the Purchaser, which is the purchaser of engines or equipment and/or of services incorporating the Supply, or the company maintaining the engine or equipment.

General Purchasing Conditions: These general purchasing conditions.

Information System (s): (i) Any set of devices interconnected via an electronic communications network, one or more of which perform, in execution of a computer program, automated processing of digital data and (ii) the digital data stored, processed, retrieved or transmitted by these devices via an electronic communication network with a view to their operation, use, protection and/or maintenance and (iii) more generally, any hardware and/or software device, internal or external to a Party, necessary for the proper operation of its Information System (air conditioning, power supply, etc.).

The Supplier's Information System as defined above is:

- owned by the Supplier and/or
- leased, operated or legally held by the Supplier under a contract with the owner of the assets and rights to said Information System and/or
- operated on behalf of the Supplier by a third party under a contractual relationship and/or
- contractually made available to the Supplier as part of a shared system ("cloud computing").

The Purchaser's Information System as defined above is:

- owned by the Purchaser and/or
- leased, operated or legally held by the Purchaser under a contract with the owner of the assets and rights to said Information System.

Official Authorities: Any national or international organization with the authority (including by delegation from a public authority) to monitor the performance of the Supply ordered, in particular certification organizations for aeronautical products or services or business audit organizations.

Order: Document, regardless of its form, issued by the Purchaser and sent to the Supplier, concerning the purchase or the lease of a Supply and including, in particular, the designation of the Supply ordered, the deadlines, the price as well as the reference to these General Purchasing Conditions.

Party(ies): The Purchaser and/or the Supplier.

Purchaser: Safran Group Company issuing the Order.

Results (or **Foreground**): Any element, subject of the Order, of any nature whatsoever, regardless of its medium or form, including processes, data, software, moulds, tooling, equipment, sets of documents, plans, technical sheets, drawings, models, prototypes, sets of trials, or any other element regardless of whether or not it gives rise to intellectual property rights, and which is produced or developed for the Purchaser on the basis of plans and/or diagrams and/or any other Specifications of the Purchaser in the course of the performance of the Order. Any Results are part of the Supply.

Safran Group Company(ies): SAFRAN and/or any legal entity in which SAFRAN directly or indirectly owns equal or more than fifty percent (50 %) of the capital stock.

Specialized Equipment: The equipment financed or supplied by the Purchaser or the Supplier for the performance of the Order or which is the object of the Order, including, but not limited to transport frames, manufacturing and assembly circuits, special tools and in particular special cutting tools and special control gauges, forge and foundry equipment, coding software tools and rack testing.

Specifications: Any document issued and provided by the Purchaser to the Supplier and setting out the Purchaser's specific requirements that the Supplier or the Supply shall comply with, the Purchaser's needs and the performance conditions of the Supply, including but not limited to the statement of work description, applicable standards and quality requirements.

Supplier: Natural person or legal entity to whom or to which the Order is sent.

Supply: Aeronautical products ("Products") and/or aeronautical services ("Services"), which are the subject of the Order.

2 - CONTRACTUAL DOCUMENTS

2.1 The Orders issued by the Purchaser will be governed by the provisions of these General Purchasing Conditions provided that they have been accepted by the Supplier as is or after being supplemented or modified by an amendment signed by both Parties.

The Supplies shall be performed in accordance with the Specifications provided in the Order or in the amendment signed by both Parties, and, if applicable, in accordance with the Contractual Security Requirements stipulated under article 4.5 hereafter.

Any other provision shall not apply to the Orders unless such provision has been previously accepted in writing by both Parties.

2.2. Should one of the contractual documents state a participation of the Supply in French public procurement contracts, the Supplier, as a subcontractor to such contract, shall comply with the applicable provisions of the French public contracts and shall pass these relevant obligations on any of its subcontractors.

In the case of participation in foreign public organization procurement contracts, the Supplier agrees to abide by the applicable rules and regulations.

2.3 The Order shall be deemed to have been accepted by the Supplier upon the occurrence of the first of the following two events:

- receipt by the Purchaser of acknowledgement of receipt of the Order signed by the Supplier, without modifications, within fifteen (15) calendar days starting from the date on which the Order was issued;
- the beginning of the performance of the Order by the Supplier, without its written reservations on the contractual documents within the period above.

3 - MODIFICATIONS

3.1 If the Purchaser decides to modify the Specifications that shall be applied to Orders, the Purchaser shall notify the Supplier of the applicable date of these modifications for the performance of the Orders.

The Supplier shall provide without delay to the Purchaser a detailed assessment of the modification proposal and its impact on prices, deadlines, quality, the Specialized Equipment, the retrofit kits of Supply already delivered, and the precise situation with respect to stocks and work-in-process. An Order amendment issued by the Purchaser shall provide for the conditions agreed between the Parties for the delivery of future Supply.

3.2 Any modification of the Supply, duly approved by the Purchaser, made necessary to ensure the continuing airworthiness of the Supply or to prevent the Official Authorities from refusing, withdrawing or restricting their approval, shall immediately be made by the Supplier to the Supply delivered or to be delivered by the Purchaser to the Final Client. Costs related to such modification shall be agreed upon between the Parties. The costs due to a failure to comply with the Specifications shall be solely borne by the Supplier.

4 - ORDERING PROCEDURE

4.1 The Supplier undertakes to perform the Order in accordance with the provisions of the contractual documents, state of the art rules, regulations and standards in force. The Supplier has an obligation of result with regard to compliance with the timeframes set in the contractual documents, and with regard to delivery of the Supply in accordance with the contractual documents, within the agreed timeframes, and in accordance with any other modalities provided for in the latter.

4.2. The Supplier is solely and fully responsible for determining the resources required to perform the Order. The Supplier shall, in particular, verify that it has all necessary rights, elements and information to perform the Order, and, shall obtain, before its implementation, if necessary, any missing element and information. Moreover, the Supplier shall promptly inform the Purchaser of any existing or future difficulties or anomalies during the implementation of the Order.

4.3 The Supplier has a duty to inform and provide advice to the Purchaser. In addition, the Supplier shall promptly inform the Purchaser in writing of any situation concerning the latter that might jeopardise the proper performance of the Order. In particular, it shall inform the Purchaser should its business become the subject of bankruptcy proceedings (insolvency, receivership or liquidation subject to court supervision), or should any equivalent situation occur, such as the winding-up or total or partial transfer of its business activity, or in the event of any modification of its organizational structure that might jeopardise the proper performance of the Order.

When authorizations, whatever their nature, are required in the framework of an Order, the Supplier, before the completion of the Order, shall ensure that all the necessary authorizations have been obtained so that the Purchaser is free from any actions or proceedings in this respect.

4.4. The Supplier's quality system shall meet the quality requirements applicable to the suppliers as stated in the Specifications provided by the Purchaser to the Supplier.

The Supplier undertakes to establish a system of document management and secure archiving to ensure the traceability and sustainability of the Supply, and to answer to the Final Client's requirements. It is being specified that the Supplier shall be responsible for the implementation and management of this system in compliance with the regulation in force. Moreover, such system will have to comply with the additional requirements provided in the Specifications issued by the Purchaser.

Throughout the duration of the Supply performance, and upon prior notice, the Supplier undertakes to grant the Purchaser and the representatives of any relevant Official Authorities free access, during business hours, to its premises and to any document for the monitoring purpose. The Supplier shall obtain the same right from any of its subcontractors.

If needed, the Supplier warrants that the Products it has designed, or that it has manufactured under a license from a third party established outside of France, and the Services which it provides, are codified with the competent authorities under the Inter-Army classification system (NATO system) or, where applicable, in accordance with its equivalent in the country of manufacture.

4.5. The Supplier and the Purchaser may exchange electronic data for the performance of the Order. The applicable conditions to these exchanges are provided in Appendix 2.

If the Purchaser may entrust the Supplier with electronic data or give it access to its Information System, the Supplier undertakes to comply with the requirements described in the Contractual Security Requirements that have been disclosed to it, prior to the Order.

The Contractual Security Requirements applicable to any Order shall receive a prior written express approval of the Supplier. Any derogation from the Contractual Security Requirements shall also be subject to prior written agreement by the Purchaser's Safety and Security of the Information System Services.

In case of anomaly of the Supplier's Information System affecting the security or integrity of the Purchaser's data, the Supplier undertakes to correct its non-conformity without delay. In case of default relating to these obligations, the Purchaser shall have the right to claim any damages to the Supplier

In addition and for IT security and/or safety reasons, the Purchaser reserves the right:
- to refuse reception of the Order; and/or
- to terminate the Order, pursuant to article 28.2 hereunder.

4.6. The Supplier shall keep the Purchaser, at least once a month, informed of the actual progress of the manufacturing of Products and/or of the carrying out of Services, and forecast of deliveries over a minimum period of six (6) months.

5 - DELIVERY

5.1 Any delivery of Supply shall be accompanied by the Certificate of conformity and by a delivery slip affixed to the outer packaging, with a copy of the said delivery slip inside the package, containing the following information:

- identification number of the delivery slip;
- Order number and item number of the Order;
- reference of the Supply;
- description of the Supply as specified in the Order;
- quantity delivered and, where applicable, the serial number and the individual number of products/parts;
- if necessary, the number of packages;
- unit of purchase;
- number of the possible dispensation(s);
- if necessary, a customs document and a transport document in compliance with applicable regulations, as well as any other documents required for customs clearance operations within the framework of imports.

5.2 The delivery or availability of the Documentation and the documents required by applicable regulations and standards is an integral part of the Supply.

5.3 The Purchaser reserves the right to refuse and send back or make available, at the cost and risk of the Supplier, any Supply that is not the subject to an Order or to a modification accepted by the Purchaser.

5.4 Unless otherwise provided in the Order, the delivery of the Supply shall be DAP “address of the Purchaser” (Incoterms 2020 - International Chamber of Commerce). Notwithstanding the foregoing, when the Supply is subject to an acceptance procedure, the transfer of the risks of the Supply takes place on the signature date of the Acceptance report by the Supplier and the Purchaser.

5.5 Packaging shall be carried out in compliance with the contractual documents, regulations and standards in force. It shall include, if necessary, instructions and provide sufficient protection to ensure that the Supply undergoes no deterioration during transport and/or storage.

Any damaged Supply upon delivery shall be returned to the Supplier and the transport, repair, assembly, and trial costs, if any, shall be borne by the Supplier.

5.6 The Supplier shall take all necessary measures to prevent stock shortages. To this effect, the Supplier shall make available safety stocks or propose any other mean for the Purchaser to consider. The Purchaser reserves the right to carry out periodic audits in order to verify the existence and efficiency of these measures.

6 - DEADLINES

6.1 Time is of the essence with respect to the contractual documents. The deadlines agreed between the Parties are mandatory and respecting these deadlines constitutes an essential condition without which the Purchaser would not have contracted.

6.2 The Supplier shall promptly inform in writing the Purchaser of any foreseeable delay in respect to the contractual deadlines, and of any measures taken to remedy such delay. Except for force majeure events, the Supplier shall bear any additional expenses resulting from this delay.

6.3 In the event of failure to meet contractual deadlines, the Purchaser reserves the right:

- to apply, unless otherwise agreed by the Parties in a signed document, automatically, and without prior notice, late penalties equivalent to 0.5% of the pre-tax price of the relevant Order per calendar day’s delay, these penalties being capped at 15% of the pre-tax amount of the Order and/or
- to terminate the Order under the terms and conditions referred to in Article "Termination" below, without any indemnity being due to the Supplier.

These penalties do not discharge the Supplier from its obligations and cannot be considered as a final, lump-sum compensation for the damage incurred by the Purchaser. The Purchaser shall notify the amount of late penalties by written document. The Supplier agrees that the Purchaser may deduct, after a period of fifteen (15) calendar days following the notification, the late payment penalties from the amount due to the Supplier in relation to the late Order, if within this time period the Supplier has not disputed in writing the facts of the grievance or has not already paid to the Purchaser the amount claimed. In the event the amounts owed to the Supplier are lower than the amount of penalties, the difference shall be paid by the Supplier within the deadline set by the Parties as for the invoice payment, such deadline starting from the notification by the Purchaser of the amount of penalties.

6.4 In the event of early delivery or excessive quantity, the Purchaser reserves the right either (i) to accept the Supply, or (ii) to make the Supply available to the Supplier at the Supplier’s own risk, or (iii) to return the Supply at the Supplier’s own cost and risk.

7 - ACCEPTANCE

7.1 The contractual documents may provide an acceptance procedure for the Supply. The Purchaser reserves the right to refuse the Supply when the related Documentation is incomplete or is non-compliant with the contractual documents provisions.

Acceptance: it is pronounced after the lifting of any possible reservations and the satisfactory verification of the Supply operation during the period specified in the contractual documents and after the submission of a Certificate of conformity by the Supplier. It gives rise to the signature of final Acceptance report, date on which the warranty period starts.

7.2 No acceptance can be considered as tacitly pronounced. Unless otherwise agreed between the Parties, the acceptance or the verification of the conformity of the Supply shall be made within thirty (30) days of delivery.

The issuing of an Acceptance report shall in no event be interpreted as a waiver of any sort, or affect the extent of the warranty or other commitments made by the Supplier hereunder or any legal warranty.

7.3 The Final Client may participate, carry out or validate the acceptance procedure. In this case, the acceptance pronounced by the Purchaser only becomes final following acceptance by the Final Client.

7.4 In case of non-conforming Supply to the contractual documents, the Purchaser shall inform the Supplier to allow the latter to inspect the non-conformity within a period of ten (10) days following the notification by the Purchaser. Should the Supplier neither inspect nor dispute the non-conforming Supply within this period, the Purchaser reserves the right, at its option:

- to accept the non-conforming Supply as is subject to concession acceptance, in exchange in particular for a price discount agreed by both Parties. The Supplier shall bear all costs of the assessment and calculation of such concession;
- to accept it after corrective work at the Supplier's expense, carried out either by the Supplier itself or by the Purchaser (or by a third party appointed by the Purchaser);
- to refuse it, making it available to the Supplier for removal at the latter's own expense and risk within fifteen (15) calendar days of the date of notification of non-conformity by the Purchaser;
- to refuse it and return it to the Supplier, at the latter's own expense and risk, within a period of fifteen (15) calendar days following the notification of non-conformity by the Purchaser.

The non-conforming Supply refused by the Purchaser shall be deemed undelivered and shall give rise to the application of the penalties in accordance with article "Deadlines" above notwithstanding the Purchaser's right to seek damages due to the non-compliance, and/or to cancel the Order.

8 - TRANSFER OF OWNERSHIP

The transfer of ownership to the Purchaser takes place, notwithstanding any reservation of title clause contained in the Supplier's documents:

- upon delivery at the Purchaser's site with respect to the Products or parts elements of the Services,
- or, at the signature of the Acceptance report if acceptance is specified in the contractual documents,
- with regard to the Results, as and when they are produced.

9 - ENTRUSTED PROPERTY

Entrusted Property is to be reserved exclusively to the performance of the Purchaser's Orders and is deemed to be lent in application of articles 1875 *et seq*. of the French Civil Code.

Entrusted Property remains the property of the Purchaser, of the person who entrusted it to the Purchaser or of the Final Client. It shall be identified as such and stored in such a way as to avoid any confusion with the property of the Supplier or any other third party. Any modification or destruction of the Entrusted Property shall be subject to prior written agreement by the Purchaser.

The Supplier undertakes to send the Purchaser, in December of each year, an inventory of the Entrusted Property which have been placed at its disposal or financed by the Purchaser. When the inventory is not provided to the Purchaser as stated above, the Purchaser may carry out the inventory itself at the expense of the Supplier.

The Supplier undertakes to return the Entrusted Property in the same condition fair wear and tear excepted, upon the Purchaser's first request. At the time that the Entrusted Property is returned to the Purchaser, the Purchaser and the Supplier shall carry out a joint inventory.

The Supplier shall monitor the Entrusted Property and take all adequate measures for protection against theft or damage of any sort. In the event of any direct or indirect interference by anyone to the Entrusted Property, the Supplier shall promptly inform the Purchaser in writing, take all the necessary measures to defend the rights of the owner of the Entrusted Property and ensure that the interference ceases. Should the Supplier have a lien ("*droit de rétention"*) granted by law on the Entrusted Property, it shall expressly surrender such lien ("*droit de rétention*") of the Entrusted Property.

10 - PRICE - INVOICING - PAYMENT TERMS

10.1 Unless otherwise agreed by the Parties in a signed document, the prices stated in the Order are firm and non-revisable, and include all taxes except VAT. These prices include all the costs and expenses incurred by the Supplier for the performance of the Supply, including if applicable, the right to use the Supplier's Background necessary to use the Supply and the assignment of possible Results and related economic rights *("droits patrimoniaux")* as well as expenses to travel to the Purchaser's sites.

10.2 The Parties agree to exclude the application of Article 1195 of the French Civil Code and accept the risks and outcomes resulting from any change of circumstances occurring during the performance of the Order.

10.3 The Supplier undertakes to invoice the Supply in accordance with the contractual documents and, in any case, not before the delivery of the Products, and not before the performance of the Services. When an invoicing schedule agreed between the Parties is mentioned in the Order, the Supplier shall comply with it.

Invoices shall be drawn by the Supplier in accordance with applicable regulations and include legal notices, such as:

- the Order reference as indicated on such Order (only one Order number by invoice);
- description of the Supply as described in the Order;

as well as:

- details of the bank account into which payment must be made;
- details (name, phone number, email address) of the representative to contact in case of billing disputes;
- the date and the number of the delivery slip, or the acceptance report or the works report, or any other event leading to an invoice as provided in the Order.

The original invoice must be sent upon being issued to the address indicated in the Order. The original delivery slip or the original acceptance report or any original document agreed between the Parties and resulting in an invoice will not be sent with the invoice but separately to the Purchaser at the address indicated in the Order.

Safran Group Companies are committed to the elimination of paper invoices and to the widespread use of electronic invoicing, a method of transmission in which the electronic invoice is issued, transmitted and received in a structured electronic format that allows for automatic processing.

In this context, Safran Group Companies have deployed electronic invoice transmission solutions for their suppliers, using several EDI (Electronic Data Interchange) formats.

The Supplier involved in this electronic invoicing process shall implement the necessary means in accordance with the legislation to use one of these solutions among those implemented by the Purchaser. The Purchaser and the Supplier shall agree together on the terms of said implementation.

For information, a guide to best practices in order to develop and facilitate the invoice/payment process is available on the suppliers' portal of Safran's website (www.safran-group.com).

Any credit note must indicate the invoice reference and the Order related, for accounting purposes.

10.4 In the event that the Purchaser grants the Supplier advances or down payments on the amount of the Order, payment thereof shall be covered by a first demand guarantee drawn up in accordance with the template enclosed in Appendix 1 or by any other guarantee agreed between the Parties.

10.5 Unless otherwise agreed by the Parties and subject to any legal provision in force, the deadline for payment shall be forty-five (45) days end of month from the date of issuance of the invoice, being specified that the calculation of this deadline for payment is: end of the month of the date of issuance of the invoice, plus forty-five (45) days.

In the event of late payment, late payment interest shall be due starting from the day after the deadline for payment specified on the invoice, without any reminder being necessary. In this case, the interest rate for late payment shall be equal to three (3) times the legal interest rate applicable in France. Furthermore, and in accordance with the law, in case of late payment, the Purchaser is legally bound to pay a lump sum as a recovery charge of an amount of € 40.

10.6 In the event of any difference in the reconciliation of a Supplier's invoice and an Order resulting in an unfavorable price or quantity discrepancy, the Purchaser shall inform the Supplier and obtain its agreement in principle on the amount of the dispute which has to be settled through the transmission of a Credit Note (CN) within fifteen (15) days.

Pending the Credit Note, a Debit Note (DN) may be issued directly by the Purchaser to the Supplier in order to enable him to pay the invoice for the undisputed amount at the due date. In case of disagreement, the Supplier shall have forty-five (45) days from the date of issue of the Debit Note to respond to the Purchaser.

11 - WARRANTY

11.1 The Supplier warrants that the Products shall be free from defects in design, in manufacturing or in operating defects as well as against any defects in materials and parts comprising an assembly. The Supplier warrants the proper performance of the Services in accordance with the contractual documents.

Unless otherwise agreed between the Parties, the duration of the warranty is five (5) years from the date of the delivery of the Supply, or where an acceptance procedure is provided, from the date of the issuance of the final Acceptance report of the Supply. It shall cover (i) any refurbishment or replacement of the Product or Service correction or (ii) reimbursement of the Product or Service (except when the Supplier is the Purchaser’s sole source). The warranty covers parts, labor, transport and travel. It also includes the cost of disassembly (including the aircraft engine and/or the equipment integrating the Supply), handling, customs duties and reassembly of parts. This warranty clause is without prejudice to any damage sustained by the Purchaser.

11.2 Unless otherwise agreed between the Parties, replacements or repairs of the Supply under the warranty provided in this article shall be performed within a maximum period of forty-five (45) days following the written notice of the defect or malfunction sent by the Purchaser. When a Supply includes several subsets, the Supplier shall correct at its own expense any anomaly and damage that may be caused by such defect or malfunction in the other subsets of the said Supply.

11.3 Any Product replaced or repaired or any Service corrected shall be guaranteed, under the same conditions as above, until the end of the warranty period and in any case during a period of six (6) months from the time of the repair/correction. In the event the Supplier does not perform its warranty duties, the Purchaser reserves the right to perform or have a third party perform the necessary works at the Supplier's expense.

11.4 For the Product designed by the Purchaser, the Supplier undertakes during the performance of the Order and until the expiry of warranty obligations, to maintain its complete production, so as to be able to provide the Product and spare parts in accordance with the Purchaser’s needs.

12 - MAINTENANCE

In the event the Parties agree upon the provision of maintenance services, the Supplier agrees to:

- Obtain the relevant approval of the Official Authorities;
- Offer the maintenance services as long as the engine or equipment incorporating the Supply remains in operation, and in consequence to maintain its complete production, so as to be able to provide the necessary Products and spare parts, in accordance with specific conditions negotiated with the Purchaser. In this case, the Supplier shall hold available to the Purchaser a complete nomenclature of prices of parts and different subsets of the Products covered by the Order. The amount of consolidated price of each spare shall not exceed the amount of the price of a complete Product, less the cost of assembly operations and partial and final tests, as a serial production of complete Products is ensured;
- Provide any necessary technical assistance to the Purchaser or the Final Client during the general overhaul or repair of the Products;
- Ensure a rotation of parts returned to it for overhaul or repair in the timeframes negotiated with the Purchaser.

13 - STOCK

13.1 The Supplier's stock necessary for the performance of the Order shall come from sources certified by the Purchaser or by the Supplier following approval by the Purchaser of the Supplier's certification procedure. The Supplier shall make available to the Purchaser all documents certifying the quantity, origin, quality, the controls and the backup measures it has made or which have been made by certified organizations upon its request in connection with such stock. Approval by the Purchaser in no way exonerates the Supplier from abiding by its obligations under the contractual documents.

13.2 In the event that the Purchaser entrusts the Supplier with the provision of service relating to raw material or forgings owned by the Purchaser, the Supplier shall return, on the Purchaser's first request, all scraps, turnings, rejects, excess of material derived from said services. These raw materials and forgings remain the Purchaser's property.

14 - SPECIALIZED EQUIPMENT

When the Purchaser supplies the Specialized Equipment necessary for the performance of the Order, it remains the owner.

When the Purchaser finances the Specialized Equipment it becomes the owner on acceptance. The acceptance of Specialized Equipment can only occur upon acceptance of the first Supply of Products manufactured with the Specialized Equipment in question. The associated plans and documents become the property of the Purchaser under the conditions of article 8 "Transfer of Ownership" for the Results.

The Specialized Equipment is subject to regular inspections by the Supplier following a calibration procedure set forth in applicable regulation, whose program is made available to the Purchaser that reserves the right to proceed with counter-inspections.

When the Order is issued in the framework of a procurement contract, the Purchaser is deemed to be an administrator of the Specialized Equipment and trial facilities belonging to the French State. As such, it may dispose on simple request to the Supplier.

15 - CONTINUITY

The Supplier shall inform the Purchaser at least eighteen (18) months in advance of any production stoppage or withdrawal from its catalogue of the Supply.

For the Supply Order whose implementation is staggered over time, the Supplier undertakes to implement a business continuity plan aimed at defining measures to be taken to keep running the performance of the Order upon the occurrence of an event likely to prevent its performance.

16 - INTELLECTUAL PROPERTY

16.1 Background

16.1.1 Each Party shall remain the sole right holder of its Background, without prejudice to third parties' rights.

16.1.2 If Purchaser's Background is necessary to the performance of the Order, the Purchaser grants to the Supplier, for the duration of the Order and for the sole purpose of its performance, a personal, non-exclusive and free of charge right to use this Background. The Supplier undertakes not to use, copy or reproduce, whether entirely or partially, this Background, for any purposes other than the performance of the Order. This right to use the Purchaser's Background may be extended to the Supplier's subcontractors performing part of the Order, subject to Purchaser's prior written consent.

The Supplier undertakes not to modify in any way the Background granted by the Purchaser for the performance of the Order, without the Purchaser's prior written consent. In any case, the Supplier undertakes not to acquire any intellectual property rights deriving from or based on the Purchaser's Background.

16.1.3 If Supplier's Background is necessary to use and/or to operate the Results, the Supplier grants to the Purchaser, for the legal duration of intellectual property rights and for all the countries in the world, a non-exclusive, irrevocable, transferable and free of charge right to use and/or operate this Supplier's Background, with the right to sublicense. The Purchaser undertakes not to use this Background for any other purpose than the use and/or the operation of the Results. In any case, the Purchaser undertakes not to acquire any intellectual property rights deriving from or based on the Supplier's Background.

If a software is part of the Supplier's Background and is necessary to use and/or to operate the Results, the Supplier undertakes to deposit such software's source codes to the French "*Agence pour la Protection des Programmes*", under a registration number which shall be communicated to the Purchaser. If the Supplier ceases to operate the software, or if it ceases its activity and such activity is not taken over by a third party, the source codes of this software will be made available to the Purchaser under reasonable terms and conditions and the Purchaser will be vested with the right to use them for the purpose of using and/or operating the Results.

If the Supplier assigns or transfers to a third party its rights on such Background or if this Background belongs in whole or in part to one or several third party(parties), the Supplier shall obtain an undertaking from this(these) third party(parties) that it(they) will grant the Purchaser the same rights as those provided by this article.

The financial compensation for these rights granted to the Purchaser is included in the Order's price.

16.2 Property of the Results deriving from the Purchaser's Background and/or Specifications

16.2.1 The Supplier transfers, exclusively to the Purchaser, the ownership of the entire Results and related economic rights ("*droits patrimoniaux*") as and when they are produced. Consequently, the Purchaser will, as the owner, be allowed to freely operate, license and transfer the Results in the most extensive way and in any country in the world, on any media, in any format and for any purpose.

If the Results are a software, the Supplier undertakes to make available to the Purchaser the source codes of such software developed with the framework of the Order.

It is specified that for Results that could be subject to a copyright protection (in particular software), the economic rights transferred to the Purchaser by the Supplier include the display, reproduction, translation, adaptation, modification, marketing, use, retention, and duplication rights and more generally all operating rights for any purpose and for the duration of the legal protection period of economic rights ("*droits patrimoniaux*").

If the Results are a creation or an invention that can be protected by an intellectual property right, the Supplier undertakes to grant the Purchaser – and consequently to make its employees, as well as any third parties it could rely on, grant to the Purchaser – all necessary powers to file under the Purchaser's name, in France or

in any other country, any patent or any intellectual property right whatsoever in relation with such creation or invention. In such case, the Purchaser will indicate the name of the inventors and the Supplier will bear, at no additional cost for the Purchaser, the expenses of any additional payment to its employees and/or to any concerned third parties for such creation and invention.

The Supplier undertakes not to use the Results in any field where Safran Group Companies operate, such fields being determined in the universal registration document *("document d'enregistrement universel")* filed annually before the French financial market authority ("*Autorité des Marchés Financiers*"), except if the Purchaser gave a prior written consent and such use is made in accordance with the terms and conditions to be set by agreement between the Parties.

16.2.2 The Supplier may be allowed to use the Results in any other field than the ones where Safran Group Companies operate, provided that:

- The Supplier shall notify the Purchaser by prior written notice of its request to use the Results, such request indicating the field(s) of activity in which it intends to operate, and
- The Supplier and the Purchaser shall sign a licensing agreement setting the terms and conditions for such use. If the Results are derived from an Order related to a Supply for the French State, the Supplier shall pay any royalties to the French State as provided by the French Procurement Contract Code ("*Code des Marchés Publics*") for the marketing of products and services deriving from such Results.

16.2.3 This Article 16.2 is not applicable whenever the Supply is not performed on the basis of Purchaser's Background and/or Specifications.

16.3 Warranties

16.3.1 The Supplier warrants that it is the holder of the intellectual property rights to the Results and, as such, shall hold harmless the Purchaser against all claims from third parties in relation to these rights.

In addition, the Supplier warrants that it holds all the rights transferred to the Purchaser in application of article 16.1.3 of these General Purchasing Conditions.

If the Supplier intends to use "free" or "open source" software that could impact on the use of the Supply and/or the operation of the Results, it must obtain the Purchaser's prior written consent after justifying with documentation the use of such software and indicating in particular the licensing terms and conditions as well as their consequences. In any case, the use of such "free" or "open source" software cannot reduce the warranties provided by the Supplier nor can it limit or exclude the Supplier's liability in the context of the performance of the Orders.

16.3.2 The Supplier shall indemnify and hold harmless the Purchaser against its acts and all the consequences of intellectual property claims from third parties (including but not only its personnel, individuals under its authority, authorised subcontractors etc.) which may be filed against the Purchaser in relation to the use or operation of the Supply. The Supplier undertakes to provide technical support to the Purchaser pursuant to these legal actions and to reimburse any cost – including legal fees, compensations, damages, expenses – incurred to the Purchaser and any fines, which may result from them.

Furthermore, at the option of the Purchaser, the Supplier shall, at its own cost, and without prejudice to the Purchaser's right to seek compensation, either (i) obtain the right to continue using the Supply, or (ii) replace or modify it in order to put an end to the infringement of the third party rights referred to above, while ensuring the functions provided by the contractual documents or (iii) reimburse the Supply.

However, the warranty will be excluded when the third party's claim for infringement is the direct consequence of the use of the Supply in combination with another product without the agreement of the Supplier or on any use thereof which does not comply with the Documentation and the contractual documents.

16.4 The obligations set in this article will remain in force after expiry or termination of the Order, notwithstanding the cause of such expiry or termination.

17 - LIABILITY - INSURANCE

17.1 The Supplier is liable for any damage or loss sustained by the Purchaser or any third party as a result of non-performance or improper performance of the Order. Consequently, the Supplier shall indemnify the Purchaser for any loss or damage sustained by the latter, including the cost of repair and/or replacement that would result from any damage or loss to Entrusted Property. Any assistance the Purchaser may give to the Supplier, for the performance of the Supply or the controls the Purchaser may organize, shall not in any way exempt the Supplier from its liability as regards to the Supply.

17.2 The Supplier undertakes to take out and maintain in effect the necessary insurance policies from reputably solvent companies and up to an amount commensurate with the risks and liabilities incumbent upon it under ordinary law provisions and its contractual commitments.

In particular, the Supplier shall take out a civil general and professional liability insurance policy ("*assurance responsabilité civile générale et professionnelle*") covering:

- its professional activity in general,
- its activity on work places for the missions and works entrust by the Purchaser,
- damage of any sort caused to third parties, during and after the performance of the Order,
- damage caused to goods/items entrusted by the Purchaser, after being handed over by the latter and for as long as the Supplier has it.

Moreover, before performing the Order, the Supplier must take out a "civil liability for aeronautical products" insurance policy ("Responsabilité Civile Produits Aéronautiques") for an amount which must be agreed by the Purchaser and corresponding to the criticality of the Supply subject of the Order.

If applicable, the Supplier shall also take out an insurance to cover any damages of any kind caused to third parties, resulting from:

- a breach of the Supplier's Information System and a breach of the data stored, processed, retrieved or transmitted on the Supplier's Information System, and
- a breach of the confidentiality of personal data placed under the Supplier's use, direction or control and any actual or alleged breach of regulations relating to personal data by the Supplier following a breach of the Supplier's Information System.

The Supplier shall provide proof, at the Purchaser's first request, of the validity of the insurance policies it has taken out by producing certificates issued by its insurers, indicating the type and amount of guarantees granted. The Supplier shall annually produce certificates confirming the renewal of its policies, for as long as its contractual obligations remain in force. In the case of insufficient coverage, the Purchaser shall have the right to require that the Supplier take out additional coverage.

It is further stated that when the Entrusted Property by the Purchaser to the Supplier is located at the Supplier's premises, the latter undertakes to take out on behalf of the Purchaser an insurance policy such as a "comprehensive industrial risk insurance policy" ("Tous Risques") or a comprehensive risk on damage to goods and profit loss insurance policy ("Multirisques Dommages et Incendie") covering any damage to the Entrusted Property by the latter, whatever the cause of damage. Any insurance of the Purchaser shall only be a complement to the guarantee of the insurance policy taken out by the Supplier.

It is specified that sub-limitations of guarantees, exclusions and deductibles contained in the insurance policies taken out by the Supplier are not enforceable against the Purchaser.

Neither the presentation of insurance certificates by the Supplier nor the content of the insurance policies (limitations or excess) taken out shall be invoked against the Purchaser or limit the Supplier's liability.

18 - COMPLIANCE WITH LABOR REGULATIONS

The Supplier guarantees that it complies with the labor legislation to which it is subject. It also guarantees that the Supply shall be performed in compliance with the labor laws in force in the countries in which the Supply is performed.

In particular, if the Supply is performed in France, the Supplier undertakes to comply with the labor law relating to concealed work (Articles L.8222-1 et seq. and Articles R.8222-1 et seq. of the French Labor Code) and foreign labor (Articles L.8253-1 et seq. and L.8254-1 et seq. in the French Labor Code). Depending on whether it is domiciled in France or abroad, the Supplier undertakes to submit to the Purchaser on the date of the Order and in any case before the beginning of the performance of the Supply, then every six (6) months until the Order is performed either the documents indicated in Articles D.8222-5 et seq. and D.8254-1 et seq. of the French Labor Code or the documents indicated in Articles D.8222-7 and 8 et seq. and D.8254-3 et seq. of the French Labor Code.

Furthermore, if the Supplier posts its employees in accordance with articles L. 1262-1 and L. 1262-2 of the French Labor Code, it shall inform the Purchaser before performing the Order and shall provide proof that it fulfilled the legal obligations of article L.1262-2-1 of the French Labor Code. The Supplier also undertakes to comply with the legislation regarding minimum salary, as well as the regulation requiring posted employees to benefit from housing conditions respectful of human dignity.

A letter template to be completed by the Supplier including the list of documents required from it under the French Labor Code, depending on whether it is domiciled in France or abroad, is provided in Appendix 3.

19 - COMPLIANCE OF THE SUPPLY WITH REGULATIONS AND STANDARDS

Through the performance of the Order, the Supplier guarantees to the Purchaser the compliance of the Supply with the regulations and standards in force in the country where the Product or Service, subject of the Supply, is delivered or rendered to the Purchaser and in any other country where the Supplier has been informed that the Supply will be used.

For this purpose, the Supplier shall hand over upon delivery or undertake to hand over at first demand by the Purchaser, the certificates required by the applicable regulations and relating to the Supply.

In addition, the Supplier shall:

- implement all necessary measures for the implementation of its supply systems relating to the following minerals:
    - tantalum,
    - tin,
    - tungsten,
    - gold,

  so as to ensure that such minerals originate from conflict free sources, and
- provide, upon request, information regarding said supply systems on a platform determined by the Final Client,
- to implement, in the establishment of its supply chains, all necessary measures guaranteeing that the Supply does not incorporate any Russian-origin iron or steel inputs listed in the regulations applicable under the sanctions against Russia, in particular in the amended EU Regulation No. 833/2014,
- to provide, when requested to do so, any document allowing to prove the origin of the iron or steel inputs used in the Supply in order to ensure the latter's compliance with the above-mentioned Regulation.

Irrespective of the place in which the Supply is produced or rendered (in France or abroad), the Supplier also warrants that the Supply will comply with applicable legal provisions and regulations to quality requirements and standards, including health, hygiene, safety, traceability of products and protection of the environment.

The Supplier undertakes to release to the Purchaser upon the delivery of the Supply all information it has to enable the safe use of the Supply.

The Supplier undertakes to inform the Purchaser of any modification of applicable legal provisions and regulations and standards, which affect the conditions in which the Supply is delivered or performed.

The Supplier declares that its fulfils all necessary requirement to participate in procurement contracts, and agrees to abide by the legal constraints imposed by such contracts, including to secrecy obligations (in particular the French Ministerial order (“arrêté”) of August 9th, 2021, related to the conditions of protecting the secret and information concerning the defense and State security as modified or replaced), and to any legal and paralegal tax obligation.

20 - SUPPLY'S PERFORMANCE AT THE PURCHASER'S SITE

When the Supply is performed in whole or in part at one of the Purchaser's sites, the Supplier undertakes to comply with the following provisions:

The Supplier will forward in advance a list with the names of the members of its personnel that may need an access to the Purchaser's site, the Purchaser reserving the right to refuse any person access to its site for security reasons. The Supplier will take the necessary measures to ensure that if any persons have to be replaced, this will not jeopardise the performance and the quality of the Supplies.

The Supplier shall respect and ensure that its personnel and any subcontractor respect the rules to access to the site, security requirements, including in relation to information technology (IT), confidentiality rules, as well as the provisions of the internal rules of conduct which apply to all persons within one of the Purchaser's premises as employees of an external company, including hygiene and safety rules and general working conditions.

The Supplier shall, in particular, comply with the provisions of the French Labor Code relating to hygiene and safety applicable to "work carried out within the premises by an external company". The Parties agree that the prevention plan provided by these provisions shall be implemented before the performance of the Order.

When necessary, the Purchaser will make available to the Supplier premises that will be allocated to enable it to intervene without disrupting the Purchaser's organization. The Supplier will be able to place its equipment there, including in particular computer equipment (PCs, workstations, office furniture, etc.) necessary for the performance of the Supplies that are subject of the Order. The disposal of the premises will end once the Order has been performed, or if the Supplier's presence in the Purchaser's premises is no longer justified. The Supplier will retain full and entire ownership and custody of equipment, software and software programs belonging to it that it has occasion to use and/or store at the Purchaser's site.

The Purchaser may also:

- provide the IT services strictly necessary for performance of the Order in accordance with procedures and terms and conditions that it will define on a case by case basis in order to preserve the security of its IT systems;
- provide access to its internal messaging system and to a directory for the exchange of data with the Supplier, in accordance with the conditions defined in Appendix 2.

When the Supplier is authorised to access the Purchaser's information system, this authorization is strictly limited to perform the Order. The Supplier shall, in all events, respect the SAFRAN Group's Information System Utilization and Security Charter and all other instructions provided.

Should the Supplier's personnel be present on the Purchaser's site, the Supplier shall appoint a project manager having hierarchical and disciplinary authority over its personnel.

Each member of the Supplier's personnel present at the Purchaser's site must, on request, state its name, the context of its mission, and the name and contact details of the Supplier's project manager.

Upon the completion of the Supply at the Purchaser's site, the Supplier's personnel must:

- return to the Purchaser's security manager the badges and other means of access that have been given to the latter,
- where applicable, return to the department concerned the words, codes and keys used to access the hardware and software allocated to the latter,
- and more generally, return all information, documents and other items which have been supplied to the latter for the performance of the Order without prejudice to the obligations under article 22 relating to confidentiality.

21 - SUPPLIER'S PERSONNEL

The Supplier is solely responsible for the administrative, accounting and labor management and supervision of its personnel assigned to the performance of the Order.

The Supplier will expressly retain hierarchical and disciplinary authority over its employees, including during the time when they are present at the Purchaser's site.

The Supplier alone is responsible for the definition of the profile and the appointment of the members of its personnel that it assigns to the performance of the Order. It certifies that throughout the performance of the Order, the members of its personnel assigned to the task will be competent, qualified and sufficient in number to ensure that the Supply is in compliance with the contractual documents.

22 - CONFIDENTIALITY

22.1 Information is Confidential without the Purchaser having to specify or mark such information as confidential. The Results shall be regarded and treated as Confidential Information belonging to the Purchaser. The Supplier shall not disclose Confidential Information without prior written consent from the Purchaser.

22.2 Confidential Information may belong to a Safran Group Company or to a third party. In any case, the disclosure of Confidential Information by the Purchaser, or access to such Information by the Supplier shall in no event be interpreted as granting or conferring to the Supplier, expressly or implicitly, any right whatsoever (under a licence or by any other means) in respect to this Confidential Information.

22.3 The Supplier undertakes to:

- use Confidential Information exclusively for the purposes contemplated in the Order;
- disclose Confidential Information only to those of its employees for whom it may be strictly necessary for the purposes contemplated in the Order and then only a "need to know" basis;
- not disclose Confidential Information or make it available, either in full or in part, to any third party without the prior written consent of the Purchaser;
- ensure that the confidentiality obligations incumbent upon it under the present article "Confidentiality" are complied with by its employees and other persons authorised by the Purchaser to access Confidential Information.

22.4 Nevertheless, the confidentiality obligations shall not apply to any Confidential Information which:

- is already in, or it had entered the public domain prior to its disclosure or after it, otherwise than through the fault of the Supplier;
- is already known or available to the Supplier at the date of receipt of Confidential Information, as evidenced by written records of the Supplier;
- is lawfully obtained by the Supplier from third parties, with full rights of disclosure, as evidenced by written records of the Supplier.

22.5 Should the Supplier be required to disclose Confidential Information of the Purchaser, pursuant to a mandatory or a judicial or administrative decision, the Supplier shall immediately inform the Purchaser of such request. In addition, the Supplier shall ask the persons and entities to which the Confidential Information is disclosed to treat it as confidential.

22.6 In the event of termination of the Order for whatever reason, the Supplier undertakes to return Confidential Information immediately to the Purchaser and/or to destroy any medium containing in whole or in part of Confidential Information. The Supplier shall provide a statement certifying the aforementioned complete return or destruction. The return or destruction of Confidential Information shall not release the Supplier from its confidentiality obligations under this article.

22.7 Any and all classified Confidential Information disclosed by the Purchaser shall be identified as such at the time of its disclosure. The protection and use of classified Confidential Information shall be in accordance with the security procedures issued by the authorities concerned.

22.8 The Supplier undertakes not to publish any article or advertisement relating to the Order and/or to the Supply and/or any other information in connection with its business with the Purchaser without the latter's prior written consent.

22.9 Unless otherwise provided for in the Order, the confidentiality obligations provided in this article shall remain in full force and effect throughout the Order's performance and for a period of thirty (30) years from the end of the warranty period of the Supply, it being specified, however, that with regards to Results that are the subject of intellectual property rights for which the duration of the protection exceeds thirty (30) years, the obligation to maintain confidentiality will remain in force throughout the entire legal duration of protection relating to intellectual property rights.

22.10 If Confidential Information that is the property of a third party is disclosed to the Supplier, any more restrictive confidentiality requirements that may be imposed by this third party will be passed on to the Supplier.

22.11 In order to ensure the security and integrity of the Purchaser's Confidential Information and the media containing it, and in accordance with the Contractual Security Requirements, if applicable, the Supplier will take all necessary measures to ensure its protection.

22.12 The particularly sensitive nature of the Purchaser's activities may result in special requirements regarding security, including IT security. As a result, and in accordance with the Purchaser's Contractual Security Requirements and/or the ministerial order ("*arrêté*") of August 9th, 2021 about the protection of national military secrets, the Supplier may be required, before the start of the performance of the Order, to sign either a special "sensitive contract" or a "contract with custody of classified information or media" or "a contract with access to classified and secret information".

22.13 The Purchaser undertakes to respect the same obligations of confidentiality regarding the information issued by the Supplier and expressly marked as confidential. It is specified that the information to which the Purchaser could have access during visits of the Supplier's premises are considered confidential. These confidentiality obligations are subject to the exceptions of article 22.4 abovementioned (the word "Supplier" being replaced by "Purchaser" in this paragraph).

23 - OFFSET

If, throughout the performance of the Order, the Supplier uses products or services from countries with which the Purchaser has, directly or indirectly, contracted offset obligations, the Supplier shall, at the Purchaser's request, use its best efforts to ensure that the value of its orders can be taken into account by the competent offset authorities within the framework of the Purchaser's obligations mentioned above.

24 - FORCE MAJEURE

Each Party shall inform the other Party by written notice, as soon as possible and no later than ten (10) calendar days after the occurrence of force majeure preventing it from performing its obligations under the contractual documents.

The obligations whose performance is rendered impossible by the occurrence of an event of force majeure shall be suspended for the duration of this event subject to the provisions of the article "Termination".

The Party invoking force majeure undertakes to take every measure possible to limit the prejudicial consequences of this event for the other Party.

For the application of this clause, only an event meeting all the conditions described hereinafter shall be considered an event of force majeure:

a) This event must be beyond the control of the Party invoking force majeure,
b) This event could not have been reasonably foreseen when the Order was issued,
c) The outcome of such event could not have been avoided with appropriate measures,
d) This event prevents the Party invoking force majeure from performing its obligation.

The Supplier shall not be able to invoke delays on the part of its own suppliers or subcontractors unless the cause for these delays may be considered an event of force majeure under this clause.

25 - TRANSFER - ASSIGNMENT - SUBCONTRACTING

25.1 The Purchaser having chosen the Supplier *intuitu personae* and in consideration of its specific abilities, the Supplier undertakes not to transfer or assign all or part of the Order to any third party without the prior written consent of the Purchaser, including in the event of merger, split-up or partial contribution of assets. If such authorization is granted, the assignee or transferee will be considered as the Supplier and, as such, shall be subject to all the conditions contained in the contractual documents.

This provision does not prohibit the Supplier from assigning to a third party debts held by the Purchaser.

The Purchaser reserves the right to transfer or assign all or part of the Order to any Safran Group Company, or in the event of merger, split-up or partial contribution of assets, to any third party of its choice, upon written notification to the Supplier. The Supplier grants to the Purchaser the right to such transfer or assignment and agrees that the assignee or transferee is the sole responsible of and liable for the performance of the Order – such liability and responsibility beginning at the notification of transfer or assignment – and that the Purchaser is consequently released from its contractual obligations arising after the date of such transfer or such assignment

25.2 The Supplier undertakes not to subcontract all of the Order. Moreover, the Supplier undertakes not to subcontract part of the Order to a third party in any way without the prior written agreement of the Purchaser. When the Supplier is authorised to subcontract, it undertakes to pass on the obligations contained in the contractual documents to its subcontractors. The Purchaser may, if necessary, approve in writing the subcontractor's payment terms at the request of the Supplier. Notwithstanding the approval of the Purchaser to the Supplier's subcontracting of the performance of the Order, or to the choice of the subcontractor and its payment terms, the Supplier shall remain solely liable to the Purchaser for the performance of the Supply subcontracted. No default of its subcontractors shall exclude or limit the Supplier's liability.

26 - EXPORT CONTROL

26.1 The Parties agree to comply with export control laws and regulations that are applicable to the Supply (including its components), as well as to the software, information and products that the Parties may exchange within the framework of the performance of the Order.

In particular, the Supplier undertakes not to export or re-export, directly or indirectly, any Entrusted Property and/or Specifications and/or all or part of the Supply to countries, entities or persons subject to sanctions under applicable laws and regulations, including but not limited to Russia and Belarus.

26.2 Each Party undertakes to inform the other Party of the export control classification concerning the elements hereinabove, and undertakes to notify it of any changes to – or any plans to change – this classification no later than fifteen (15) days after receiving notice of said change.

26.3 In the event that the export or re-export of all or part of the Supply is subject to obtaining an export license, the Supplier undertakes to apply to the competent government authorities, at no cost to the Purchaser, for any license or governmental authorization necessary to enable the Purchaser to use the Supply and to deliver such to customers or to any other final user specified by the Purchaser to the Supplier. The Supplier undertakes to immediately notify the Purchaser of the issuance of the export license by the competent government authorities or of the existence of a dispensation, and to provide it with a copy of said license or a certificate describing in particular any restrictions applicable to the re-export or re-transfer by the Purchaser of all or part of the Supply to a third party. It is specified that notice by the Supplier to the Purchaser of the classification of all or part of the Supply and the issuance of the export license described hereinabove constitute conditions precedent to the Order coming into force.

26.4 The Supplier undertakes to implement all necessary security measures to prevent the transfer, by any means whatsoever, of information provided by the Purchaser and identified as being subject to applicable laws and regulations on export control to any person who has not been authorised to access such information by dispensation or by an export license granted by the competent government authorities.

26.5 Should the export license be withdrawn, not renewed or invalidated for reasons attributable to the Supplier, the Purchaser reserves the right to automatically terminate the Order, without prejudice to its right to claim compensation for the damage sustained by this breach.

26.6 Should it fail to meet its export control obligations, the Supplier will be bound to compensate for any damage caused to the Purchaser and its customers in connection with the performance of the Order or the use or operation of all or part of the Supply. Furthermore, the Supplier undertakes to take charge of the defense of the Purchaser and/or its customers in the event of any action or legal proceedings taken by competent authorities relating to export control as well as all consequences, including fees, expenses and damages that may be incurred by them.

27 - ETHICS AND COMPLIANCE

Each Party undertakes to strictly comply with all applicable anti-corruption laws and regulations including but not limited to (i) the legal provisions against corruption in accordance with the OECD Anti-Bribery Convention of 1997, (ii) the United Nations Convention Against Corruption of 2003 (UNCAC), (iii) the applicable anti-corruption laws.

Each Party undertakes that it shall not grant, nor receive, promise, arrange for or pay, directly or indirectly through a third party, any gift, present, payment, remuneration or benefit whatsoever (including but not limited to money, gift, trip, invitation) to any individual, including public officials for the purpose of improperly inducing that any individual perform or fail to perform its official duties, or to assist one Party or the other in obtaining business, retaining business or securing any improper advantage during the performance of the Orders.

In the event of failure to comply with this clause, each Party shall automatically have the right to terminate the Orders in progress, in compliance with Article « Termination » herein below with immediate effect and without compensation, and without prejudice to any remedies one Party may request from the other Party.

28 - TERMINATION

28.1 Either Party shall be entitled to terminate the Order as of right by registered letter with acknowledgement of receipt in the following cases:

- When the other Party fails to perform any of its contractual obligations and does not cure such breach within thirty (30) days from receipt of formal notice thereof sent by registered letter with acknowledgement of receipt;
- When the other Party becomes the subject of judicial protection, receivership or liquidation, subject to public policy provisions;
- When the other Party did not perform its obligations because of a force majeure event (i) the duration of which exceeds one month from the date of notification to such other Party thereof, or (ii) causing a delay inconsistent with the purpose of the Order, or (iii) permanently preventing the performance of the Order;
- Under terms and conditions set forth in article 27 “Ethics and compliance” of these General Purchasing Conditions;
- When provided by law or any regulation in force.

28.2 In addition, the Purchaser shall be entitled to terminate the Order as of right by registered letter with acknowledgement of receipt sent to the Supplier in the following cases:

- With immediate effect and without prior notice when the Supplier fails to comply with any of its obligations set forth in articles 4.5 (“Ordering Procedure”),18 (“Compliance with Labor Regulations”), 26 (“Export control”) of these General Purchasing Conditions and more generally in case of any breach by the Supplier of any of its contractual obligations which cannot be remedied;
- After a prior formal notice sent by registered letter with acknowledgement of receipt and which has remained unheeded for thirty (30) days if the Supplier did not deliver to the Purchaser the insurance certificates as required by article 17.2;
- Subject to a thirty (30) days’ written notice when one of the Purchaser’s competitors or a competitor of any other Safran Group Company acquires the control of the Supplier’s capital;
- Subject to a thirty (30) days’ written notice, in the event of a major change in the industrial organization of the Supplier that could jeopardise the proper performance of the Order (e.g. transfer of production).

28.3 In the event of termination of the Order by the Purchaser for default attributable to the Supplier, the Purchaser reserves the right to perform or have a third party perform all or part of the Order at the expense of the Supplier. In this respect, the Supplier undertakes, at the request of the Purchaser, to provide to the latter or to any third party designated by the Purchaser all the elements necessary to perform the Supply.

28.4 Upon the expiration of the Order, or following its termination for any reason whatsoever, the Supplier shall return, within eight days and at its cost, to the Purchaser the Entrusted Property and any Documentation which has not yet been provided.

28.5 In all the cases of termination notwithstanding the reasons, each Party shall still be required to comply with all its contractual obligations until the effective date of termination, without prejudice to any damage that the non-defaulting Party may be able to claim as compensation for the damage incurred as a result of the non-performance by the defaulting Party of its obligations set forth in the contractual documents.

Furthermore, if the Supplier is the Purchaser's sole source, the Purchaser may postpone the date of termination until an alternative source of supply has been implemented, in which case the Supplier undertakes to maintain the performance of the Orders in accordance with the contractual terms and conditions.

29 - MISCELLANEOUS

29.1. If the Supplier is subject to the provisions of Title 18 of the "US Code" ("Cloud Act") relating to the disclosure of data stored in electronic form, it undertakes to inform the Purchaser prior to the placement of an Order and undertakes to reiterate this statement on the date of acceptance of the Order. If the Supplier becomes subject to these provisions on the date of acceptance of the Order or during performance of the Order, it undertakes to inform the Purchaser immediately in writing. The Supplier also undertakes to transfer this obligation to its suppliers and subcontractors involved in performance of the Order.

As a general rule, if the Supplier is under an obligation, directly or indirectly, to disclose the Purchaser's data pursuant to a law or a binding judicial or administrative decision, the Supplier undertakes to (i) inform the Purchaser immediately (unless legal and/or judicial provisions prevent the Purchaser from doing so), (ii) use all legal means available to object to such requests and take all necessary measures to mitigate the impact of the disclosure of stored data, (iii) and refer the administrative or judicial authority to the Purchaser.

In the event of a request to access the Purchaser's data from a third party, the Supplier shall reject the request, and immediately notify the Purchaser and advise the third party to request the data directly from the Purchaser. In this case, the Supplier may communicate the Purchaser's contact information to the third party.

29.2 Each Party undertakes to comply with the applicable regulations regarding data protection and in particular to only use personal data for the purpose of performing the Order, to implement all the necessary measures of security and confidentiality in order to protect this type of data, to ensure the compliance of potential transfer outside the European Economic Area and/or national territory, to delete said data at the expiry of the retention period agreed between the Parties or any deadline provided by law and to reply to any request from data subjects. Furthermore, each Party undertakes to give notification to the other Party in case of any personal data breach relating to the data processing.

The Parties may provide each other with the contact details of the persons involved in the Order for the purposes of managing their business relations and monitoring Orders. As part of the management of their respective client/supplier files, the Parties each act as a non-joint data controller.

The Safran Group Policy on the protection of personal data and the Safran Controller BCR are available on the Group's website.

If further processing of personal data is to be provided for, the Parties will have to negotiate and sign an agreement on the basis of the model attached in Appendix 4.

29.3 Neither Party's failure to exercise or delay in exercising any of its rights with respect to the contractual documents shall be construed or be deemed a waiver of these rights.

29.4 Should any provision of the contractual documents be held to be invalid, the remainder shall continue to be valid and enforceable. The Parties shall then seek to replace this provision with a valid provision in order to maintain the contractual balance.

29.5 The Supplier acts in its own name and on its own behalf as an independent entrepreneur. The Supplier has neither the power nor the authorization to enter into any commitment whatsoever in the name and for the account of the Purchaser. No provision of the contractual documents may be construed as creating an agent/principal, parent/subsidiary or employer/employee relationship between the Supplier and the Purchaser.

29.6 The Purchaser reserves the right to carry out or have carry out on its behalf and at its expense one or more audits of the Supplier, either at the latter's premises or remotely. These audits may be carried out by the Purchaser's employees or by an approved external auditor (independent or not), subject to a reasonable notice period, in order to verify that the Supplier comply with its contractual obligations related to compliance with the applicable laws and regulations (including but not limited to "Ethics and compliance"), which the Supplier hereby accepts. Under no circumstances shall said control or audits release the Supplier from compliance with its obligations under the Orders.

30 - APPLICABLE LAW - JURISDICTION

By express agreement between the Parties, the contractual documents are governed by French law, excluding the application of 1980 United Nations Convention on Contracts for the International Sale of Goods.

All disputes arising out or in connection with the formation, validity, interpretation, performance, or termination or their follow up, of any of the contractual documents shall be settled under the exclusive jurisdiction of the Commercial Court of Paris ("*Tribunal de Commerce de Paris*"), France, notwithstanding plurality of defendants or introduction of third parties. In the event the Commercial Court of Paris lacks subject-matter jurisdiction, any other Court of Paris shall have the jurisdiction to make the disposition of the matter.

However, the Parties may by mutual agreement decide to have recourse to mediation, before going to court.

NAME OF THE SUPPLIER:

NAME AND TITLE OF THE SIGNATORY:

DATE:

SIGNATURE:

SUPPLIER STAMP:

APPENDIX 1
FIRST DEMAND GUARANTEE

As part of order *[N°]* (hereafter the "Order"), placed on ….between (name of Supplier, address, trade and companies register) and (name of the Purchaser, address, trade and companies register) for (detail of the Order) for an amount of ….

The undersigned
[FIRST RATE FRENCH BANK]
[FORM]
With a capital of *[TO BE COMPLETED]*, having its registered office at *[TO BE COMPLETED],* registered at the Trade and Companies Register of *[TO BE COMPLETED]* under number *[TO BE COMPLETED]* represented by *[TO BE COMPLETED]*, acting as *[TO BE COMPLETED]*, duly empowered for the purposes hereof
Hereinafter referred to as the "Guarantor"

Hereby undertakes, irrevocably and unconditionally, on instructions by and on behalf of:

*[*SUPPLIER*]*
[FORM]
With a capital of *[TO BE COMPLETED]*, having its registered office at *[TO BE COMPLETED],* registered at the Trade and Companies Register of *[TO BE COMPLETED]* under number *[TO BE COMPLETED]*

To pay:*[PURCHASER]*
[FORM]
With a capital of *[TO BE COMPLETED]*, having its registered office at *[TO BE COMPLETED],* registered at the Trade and Companies Register of *[TO BE COMPLETED]* under number *[TO BE COMPLETED]*,
Hereinafter referred to as the "Beneficiary",

On first demand by the Beneficiary and immediately any amount up to *[TO BE COMPLETED IN NUMBERS AND IN LETTERS]* Euros, without being able to claim any exception or objection in particular with respect to any contestation or claim by *[SUPPLIER]* in relation to the Order.

This guarantee is independent of any contract between *[SUPPLIER]* and the Beneficiary. Consequently, the modification or cessation of the legal links or relations which may exist between *[SUPPLIER]* and the Beneficiary does not release the Guarantor from its obligations hereunder. All the provisions of this guarantee shall remain in force irrespective of any changes in the financial and/or legal situation of *[SUPPLIER]* or Beneficiary.

This guarantee comes into force on *[TO BE COMPLETED]* and expires on *[TO BE COMPLETED]*, unless extended subject to a request submitted by the Beneficiary to the Guarantor.

Any request for an extension must be made directly by the Beneficiary to the Guarantor and must be granted immediately by the Guarantor, subject to proof of prior notification to *[SUPPLIER]*, and notwithstanding any order to the contrary by *[SUPPLIER]*. However, this extension may not exceed a maximum period of …months.

This guarantee is in addition to and not as a replacement for any other right that the Beneficiary may claim against *[SUPPLIER]* and must be executed on first demand by the Beneficiary by means of registered letter with acknowledgement of receipt sent to the address of the Guarantor as indicated at the head of this guarantee, indicating that *[SUPPLIER]* has not respected its obligations towards the Beneficiary, and without any intervention by *[SUPPLIER]* or any prior procedure or action against *[SUPPLIER]* being necessary.

All the costs of this guarantee and any subsequent related deeds shall be borne by *[SUPPLIER].*

In the event of any dispute in relation to this guarantee, exclusive competence is attributed to the Commercial Court of Paris. The validity, interpretation and execution of this guarantee are governed by French law.

Executed in ....., on..... Title: *[BANK]*

APPENDIX 2

The purpose of this Appendix is to set forth the conditions under which the Purchaser and the Supplier will carry out electronic data interchange (EDI) by means of networks, within the framework of the performance of the Orders.

A) Definitions

Electronic data interchange (EDI): electronic transfer via a network, from one computer to another, of data in the form of an EDI message.

EDI Message: series of structured segments presented in a form that can be unequivocally read by a computer.

Acknowledgement of receipt: message issued by the recipient of an EDI message acknowledging receipt of the message and its legibility.

B) Nature of the information exchanged

The information which may be exchanged by EDI is defined in the Orders.

Any other information must be exchanged only through paper medium unless otherwise agreed in writing between the Parties to include it within the field of this Appendix.

C) Validity and taking into account the EDI content

The exchange of information via EDI is carried out at the time and place that the EDI message is placed at the disposal of the recipient's Information System in a complete and legible way.

On receipt of information transmitted by EDI by the recipient's computer, the latter issues an acknowledgement of receipt to the issuer. The recipient is then deemed to have correctly received the information given unless the recipient informs the other Party of a problem in reading or interpreting the data transmitted. Notification of this may be sent by any means.

On no account is the recipient authorised to modify the message received. Any modification must be made by the issuing Party with specific reference to the modification made. Only messages issued by an authorised issuer with the agreed electronic signature are taken into account by the recipient.

D) Registration and conservation of EDI Messages

The Parties must keep all the EDI messages exchanged, taking all the necessary security measures at their disposal to guarantee their inalterability. In this respect, the Parties undertake to respect a certain number of control procedures such as the conservation of the information sent by EDI in its original form and in chronological order of sending.

The Parties must ensure that the information exchanged by EDI is kept by electronic or computer journals listing all exchanges sent and received and that it is easily accessible. In addition, the Parties must ensure that this information can be reproduced in legible form by man and be printed if necessary in order to constitute, as far as possible, a true and lasting copy of the original

E) Admissibility and probative value of the EDI Messages

Each Party agrees that the EDI messages exchanged on the basis of this Appendix and in conformity with the provisions hereunder have a probative value equivalent to that of a document through paper medium.

As such, the Parties waive the right to contest the authenticity of the information exchanged or oppose the information on the sole basis that the information was exchanged by EDI.

The Parties undertake to accept that, in the event of a dispute, the recordings made of information exchanged by EDI that have been stored may be produced before the arbitration Courts as proof of the facts that they contain, unless otherwise proved.

F) Security of EDI Messages

The Parties undertake to set up and maintain security measures and procedures to ensure the protection of the EDI messages against risks of unauthorised access, modification, delays, destruction or loss.

The security procedures and measure include verification of the origin and verification of the integrity. All information exchanged by EDI must identify the sender and the recipient. As such, each of the Parties undertakes to submit to the other party a list of the persons authorised by it to send information by EDI, updating this list each time it is necessary and indicating the applicable electronic signatures.

If the security procedures and measure lead to the rejection of an EDI message or the detection of an error in the message, the recipient must inform the sender of this as soon as possible.

The recipient of an EDI message which has been refused or which contains an error cannot act on the message without authorization from the sender. When a refused or erroneous message is retransmitted by the sender, the message must clearly indicate that it is a corrected message.

In addition, the Parties undertake to set up and maintain the operational environment necessary for EDI operations. As such, the Parties must supply and ensure maintenance for the hardware, software and the services necessary to transmit, receive, translate and conserve EDI messages.

G) Confidentiality

The Parties must ensure that the information contained in the EDI messages remains confidential and is not disclosed or retransmitted to any other parties who are not authorised to receive it. They must also ensure that it is not used for any purpose other than the performance of the Orders.

APPENDIX 3

LETTER TEMPLATE TO BE PROVIDED BY THE SUPPLIER

IF THE SUPPLIER IS REGISTERED IN FRANCE

XXXX hereinafter “the company”

YYYY hereinafter “the Client”
For the attention of …

The Company, represented by …., ……. (position), duly authorised for the purpose hereof, acknowledges that it is governed by current legislative and regulatory provisions of the French Labor Code and in particular the provisions relative to undeclared labor (Articles L.8222-1 et seq of the Labor Code) and foreign labor (Articles L.8254-1 to L.8254-4 of the Labor Code) and undertakes to provide the following documents:

OBLIGATIONS RELATIVE TO UNDECLARED LABOR: Article D.8222-5 of the French Labor Code

- In all cases, a certificate of filing of social security declarations and of payment of the social security dues and contributions provided for in Article L. 243-15, issued by the relevant organization (mentioned by name) responsible for collecting dues and contributions and dated less than six months ago.
- When registration on the trade register or the companies register is compulsory or when the profession is regulated, one of the following documents:
    - A certificate of registration on the companies register (RCS) (i.e. K or K bis form) or an identification card evidencing registration on the trade register.
    - A quote, an advertising document or a professional letter, provided it contains the name or the company name, the full address and the registration number on the companies register or the trade register or on a list or table of a professional body, or the reference of the accreditation issued by the relevant authority.
    - A declaration filing receipt issued by an appropriate companies administration center for persons whose registration is in progress.

OBLIGATIONS RELATIVE TO FOREIGN LABOR: Article D.8254-2 of the French Labor Code

- The list of names of foreign employees employed and requiring a work permit. This list, drawn up on the basis of the single staff register, must specify, for each employee, the date of hire, the nationality and the type and number of the work permit document.

The Company undertakes to return all of the documents specified above **once every six months** through to expiry of the contracts and/or purchase orders signed with the Client.

In ……., on ……
XXX

IF THE SUPPLIER IS REGISTERED ABROAD
[and if the employee(s) perform(s) the Service in France]

XXXX hereinafter "the Company"

YYYY hereinafter "the Client"
For the attention of …

The Company, represented by …., ……. (position), duly authorized for the purpose hereof, acknowledges that it is governed by current legislative and regulatory provisions of the French Labor Code and in particular the provisions relative to undeclared labor (Articles L.8222-1 et seq. of the Labor Code) and foreign labor (Articles L.8254-1 to L.8254-4 of the Labor Code) and undertakes to provide the following documents:

OBLIGATIONS RELATIVE TO UNDECLARED LABOR: D.8222-7 AND 8 OF THE FRENCH LABOR CODE

- In all cases:
  - A document mentioning the individual identification number allocated pursuant to Article 286 ter of the French Tax Code or a document mentioning its identity and address or, as applicable, the contact details of its ad hoc tax representative in France;
  - A document certifying that the contracting party's social security situation is in order in compliance with EC regulation no. 883/2004 of 29 April 2004 or an international social security convention and, where so provided by the legislation in the country of establishment, a document issued by the body managing the compulsory social security scheme (mentioned by name) and specifying that the contracting party is up to date with its social security returns and payment of the relating contributions, or any other equivalent document or, failing this, a certificate of filing of social security declarations and of payment of the social security dues and contributions provided for in Article L. 243-15 of the French Social Security Code.
- When the company must be registered on a professional register in its country of establishment or incorporation, one of the following documents:
  - A document issued by the authorities keeping a professional register or an equivalent document certifying such registration;
  - A quote, an advertising document or a professional letter, provided it contains the name or the company name, the full address and the type of registration on the companies register;
  - A document issued less than six months ago by the authority responsible for keeping a professional register, certifying that an application for registration has been filed for companies being incorporated.

OBLIGATIONS RELATIVE TO THE POSTING EMPLOYEES: ARTICLE L.1262-2-1 OF THE FRENCH LABOR CODE

Tick the relevant case

☐ The Company is not posting any worker in compliance with articles L.1262-1 and L.1262-2 of the Labor Code

☐ The Company is posting one or several workers in compliance with articles L.1262-1 and L.1262-2 of the Labor Code and, in this respect:

i. Delivers a copy to the Client of the prior declaration of posting workers made to the labor inspector ("*inspecteur du travail*")

ii. Nominates a representative of the company on the national territory, in charge of ensuring the liaison with the agents mentioned in Article L. 8271-1-2 during the posting

OBLIGATIONS RELATIVE TO FOREIGN LABOR: ARTICLE D.8254-3 OF THE FRENCH LABOR CODE

- The list of names of foreign employees employed and requiring a work permit. This list, drawn up on the basis of the single staff register, must specify, for each employee, the date of hire, the nationality and the type and number of the work permit document.

The documents and certificates listed above must be written in French or be provided with a French translation.

The Company undertakes to return all of the documents specified above **once every six months** through to expiry of the contracts and/or purchase orders signed with the Client.

In……., on……
XXX

APPENDIX 4

PROTECTION OF PERSONAL DATA

The definitions below only apply to the following “Protection of Personal Data” Appendix:

- The terms “(Personal) Data”; “Data Controller”; “Processor”; “Data Processing”; “Data Subject ”; “Breach”; “Binding Corporate Rules” and “Supervisory Authority” have the same meaning as in the European regulation 2016/679 on Personal Data protection (GDPR);
- “Applicable Regulations”: all regulations and laws that apply to personal data that may be subject to Processing, including the GDPR;
- “Secondary Service Provider”: a natural person or judicial entity, public authority, department or any other organization that processes Data on behalf of the Service Provider.
- « Service » means the supply of Products (including software and Industrial Equipment) and/or services (including Works), subject of the Order.
- « Client » and « Service Provider » are respectively « Purchaser » and « Supplier » as defined in the General Purchasing Conditions.

1. Applicable Data protection principles

In their respective capacity as Data Controller and Processor, the Client and the Service Provider undertake to process all Data in compliance with the Applicable Regulations.

For all Data Processing as part of the Service whose purpose is: [*TO BE FILLED IN BY THE CLIENT AND THE SERVICE PROVIDER*] ----------, the Client is identified as a Data Controller and the Service Provider as a Processor.

The categories of processed Data are [*TO BE FILLED IN BY THE CLIENT AND THE SERVICE PROVIDER*] ----------.

The categories of Data Subjects are [*TO BE FILLED IN BY THE CLIENT AND THE SERVICE PROVIDER*] ----------.

The Data shall be stored for a duration of [*TO BE FILLED IN BY THE CLIENT AND THE SERVICE PROVIDER*].----------.

The Service Provider, in its capacity as a Processor, only operates on detailed instructions from the Client for Data Processing during the entire duration of the Service and will only use the Data for the needs of performing the Service.

2. Client Obligations

In its capacity as the Data Controller, the Client undertakes to:

- provide the Service Provider with Data collected in a legitimate manner;
- only disclose to the Service Provider the Data that is needed by the Service Provider to perform the Services;

- ensure, with the Service Provider, that sufficient guarantees are provided for supervising the transfer of Data from the Client to the Service Provider;
- cooperate with the competent Supervisory Authorities, in particular if it receives a request for information or in the event of an inspection;
- inform the Data Subjects of the Data Processing;
- protect the Service Provider in view of any request, action, claim or dispute from a third party, as well as any penalty or conviction delivered by an authority or jurisdiction against the Service Provider due to the Service Provider's execution of this Appendix in compliance with the Client's detailed instructions. The Client undertakes as such to indemnify the Service Provider for any costs, expenses, disbursements and payments of any kind incurred due to this type of request, action, claim, dispute, penalty or conviction.

In addition, the Client reserves the right to carry out any audit which it deems useful in order to ensure compliance by the Service Provider with the Applicable Regulations and with its obligations under this Appendix.

3. Service Provider Obligations

In its capacity as Processor under this Appendix, the Service Provider undertakes to:

- take all necessary technical and organizational measures to ensure a level of security appropriate to the risk and to protect the security and confidentiality of the Data and in particular to protect it from destruction, loss, alteration, unauthorised disclosure or access, in an accidental or unlawful manner, and against all other unlawful forms of Data Processing;
- provide and maintain a Service compliant with the principles of privacy by design and by default;
- ensure, with the Client, that sufficient guarantees are provided for supervising the transfer of Data from the Client to the Service Provider;
- notify the Client of the occurrence of any Data Breach having direct or indirect consequences on the Data Processing without delay and no more than forty-eight (48) hours after the Data breach is found. The Client shall be notified at the following address safran.dpo@safrangroup.com, accompanied by any information allowing to qualify the Breach's circumstances and measures taken or to be taken to rectify the Breach. The Service Provider undertakes to notify the Supervisory Authority only on the written instructions of the Client, except in the case of mandatory legal provisions to the contrary;
- take measures to ensure that the people acting under its authority comply with this Appendix and are subject to a confidentiality obligation;
- inform the persons acting under its authority of any Processing of their Data implemented by the Client for the fulfilment of this Service;
- provide, upon the Client's request, the necessary information to demonstrate compliance with the obligations under this Appendix and the Applicable Regulations;
- respond to the Client's request for audits, conducted by the Client itself or by an adequately qualified independent third party who is not a competitor of the Service Provider, to verify the Service Provider's observance of the Applicable Regulations and its compliance with the obligations of this Appendix. The Client must inform the Service Provider ten (10) working days before the audit. The audit will be limited to two (2) working days at the expense of the Service Provider, beyond which any additional cost will be at the Client's expense. The audit report is sent to the Client and the Service Provider. The regularization costs of a non-compliance with the Applicable Regulations identified during an audit will be at the Service Provider's expense except when the non-compliance results from a non-compliant instruction from the Client. The regularization costs of a non-compliance with an instruction from the Client in accordance with the Applicable Regulations identified during an audit will be at the Service Provider's expense;
- cooperate with the Client and help it meet the requirements of the Applicable Regulations for which it is liable;
- notify the Client, without delay and no more than forty-eight (48) hours after reception to safran.dpo@safrangroup.com, of any complaint addressed to it by a Data Subject in connection with the Service. The Service Provider must provide the Client with all necessary information on the Data recipients to enable the Client to notify the Data subjects and to reply to their requests related to exercising their rights. If the cost of meeting these requirements exceeds two (2) man-days per year, the additional costs will be borne by the Client;

- help the Client meets its obligations concerning Data protection impact assessments, in particular by providing it with all necessary information;
- subject to the obligatory statutory provisions, immediately inform the Client of any request from an administrative or judicial authority relating to the Client Data received by the Service Provider and / or to use all the legal means at its disposal to oppose said requests and redirect the administrative or judicial authority to the Client;
- cooperate with the competent Supervisory Authorities (in particular if they receive a request for information or in the event of an inspection);
- help the Client meet its obligations of notification to the Supervisory Authorities and to the Data Subjects;
- provide, at its own cost and without delay, the Client with all Data in the same format as that used by the Client to send the Data to the Service Provider, or failing that, in a structured and commonly used form (upon Client request, if the Service period has ended for any reason, by expiration or premature termination). The Service Provider undertakes to not keep any copy of Data thus retrieved except in the case of mandatory legal provisions to the contrary;
- delete the Data at the end of the set retention period agreed upon with the Client for the purposes for which it has been collected, except in the case of mandatory legal provisions to the contrary. Proof of the destruction of the Data shall be given in a report provided to the Client.

4. Transfer of Data outside of the European Economic Area and/or the territory of origin

4.1 For transfers outside the European Economic Area:

The Service Provider undertakes to:

- set up guarantees for all Data transfer with the prior signing by the Client and Service Provider of a model contract called “Standard contractual clauses for Data Controller to Processor” with Binding Corporate Rules implemented by the Service Provider, or with any other restrictive legal instrument to set the terms for the transfer if the Service Provider is not located in the European Economic Area or a third country whose legislation on Data protection does not have been recognized as adequate by the European Commission;
- notify the Client, prior to all new transfers outside of the European Economic Area, in order to receive its written consent;
- perform a Transfer Impact Assessment. The Service Provider shall make this document available to SAFRAN upon request.

4.2 For Data transfers outside the territory of origin:

The Service Provider undertakes to frame Data transfers with legal instruments that comply with Applicable Regulations and, where applicable, are validated by the competent Supervisory Authorities.

5. Authorised Secondary Service Providers

The Service Provider undertakes to:

- before signing the applicable Order, provide: the company name of the Secondary Service Providers, the type of service and Processing carried out by the Secondary Service Providers, their location (country) and the framework for the transfers carried out, where applicable.

- obtain the Client's written authorization prior to using a Secondary Service Provider, and provide the Client with the reasons for such use, the company name of the Secondary Service Provider, its country of establishment, and the place where the Processing will be carried out;

- to pass on, by means of a written legal document, to any Secondary Service Provider, the obligations incumbent upon it under this Appendix. The Service Provider remains fully liable to the Client for the performance by the Secondary Service Provider of its obligations. The Secondary Service Provider may only be identified as a Processor. The Client may refuse to use the services of a Secondary Service Provider without having to justify himself in any way, or may authorize the Secondary Service Provider to do so, provided that the Secondary Service Provider undertakes to comply with any additional security clauses communicated by the Client;

- to provide a framework for the transfer of Data to any Secondary Service Provider by means of a standard contract known as the "Standard Contractual clauses for Processor to Processor", after obtaining the Client's written authorization, by means of Binding Corporate Rules or by any other binding legal instrument permitting the said transfer when the Secondary Service Provider is not established in the European Economic Area and/or in third countries whose Data protection legislation has not been recognized as adequate by the European Commission.

6. Service Provider's Right to Object and Incapability

If the Service Provider is incapable of complying with provisions for any reason whatsoever, it undertakes to immediately notify the Client in writing without delay.
If the Service Provider fails to remedy the non-compliance within thirty (30) days of receipt of a formal notice by registered letter with acknowledgement of receipt, the Client may suspend performance of the Order until the Service Provider complies, or terminate the Order. Such suspension or termination shall take effect at the end of the thirty (30) day period in the absence of the Service Provider's compliance.

7. Processing carried out in the qualification of non-joint Data Controller

Notwithstanding the qualification of the Parties under this Appendix, the Parties are considered to be non-joint Data Controllers in the context of the management of the hosting, infrastructure and administrative and technical management of the websites and/or online platform, in particular the management and setting of cookies.

8. Contact details

Each Party communicates to the other the contact details of its Data Protection Officer or the person in charge of the subject.

For the Service Provider: [*TO BE COMPLETED*----------]

For the Client: safran.dpo@safrangroup.com.