

## Safran Cabin Sterling, Inc. Supplier Policies, Terms and Conditions

### I. INTRODUCTION

#### A. COMPANY PROFILE:

1. Safran Cabin Sterling, Inc. manufactures high quality aircraft galley equipment. This line includes Microwave Ovens, Refrigerators, Ovens, Water Heaters and Coffee Brewers, for business, regional and commercial jet aircraft, as well as for U.S. Government Cargo planes.



Our customers have very high quality expectations, which in turn, require that our suppliers provide us with parts made to the appropriate level of quality.

#### B. OBJECTIVE:

It is our objective to develop and maintain relationships with our suppliers that are mutually beneficial and that will ultimately lead to true partnerships. We encourage visits by our suppliers to help them gain an appreciation of the nature of our business.



Form #	STLG-OP-7201-F42	<b>Supplier Policies, Terms, and Conditions</b>	Page 2 of 17
Revision	E		

## II. GENERAL

### A. EXPECTATIONS:

1. Safran Cabin Sterling, Inc. expects suppliers to supply parts that are fit for the intended use, when promised.
2. Safran Cabin Sterling, Inc. will advise the supplier of expectations using:
  - a. Purchase orders which define applicable drawings and specifications, and expected delivery dates. The required drawing or specification revision is specified on the purchase order.
  - b. Drawings for custom parts are provided to the supplier with each new order.
  - c. “General Workmanship Standards” (included herein, Section F). Parts must meet our Quality Standards in order for us to meet our customers’ expectations.
3. Suppliers are expected to conform to IDS Terms and Conditions Guide; Section A; A708 – Self Certification, see attachment.
4. Suppliers are expected to establish and maintain a documented quality system compliant with ISO 9001.
5. Supplier will take necessary steps during processing and packaging to prevent addition of any foreign object debris or contaminants. Supplier shall have a F.O.D. prevention and training program adequate enough to ensure compliance.
6. When required, requirements for approval of product, procedures and equipment are defined in Safran Cabin Sterling, Inc. Specifications.
7. Suppliers are expected to notify Safran Cabin Sterling, Inc. of changes in product and/or process, changes of suppliers, and changes of manufacturing facility locations.
8. Suppliers are expected to qualify personnel for the operations they perform.
9. Suppliers are expected to test, inspect and verify products as defined by the Safran Cabin Sterling, Inc. specification. Where no specific requirements are included in the Safran Cabin Sterling, Inc. specification, best industry practice is to be used. When requested, suppliers should submit test reports. When statistical techniques are used for product acceptance, such statistical techniques shall be per a recognized standard. When applicable, key characteristics are identified on the Safran Cabin Sterling, Inc. specification.
10. Requirements for test specimens are defined by the Safran Cabin Sterling, Inc. specification.
11. Suppliers are expected to flow all applicable purchase order requirements to their sub-tier suppliers.
12. Inspection and test records shall be retained a minimum of ten (10) years.
13. Monitoring and Measuring devices shall be calibrated and traceable to N.I.S.T where they exist.

Form #	STLG-OP-7201-F42	<b>Supplier Policies, Terms, and Conditions</b>	Page 3 of 17
Revision	E		

14. First Article inspections shall be performed on the first run of each part, on the first run of each revised part, and on the first run after two or more years of non-production. First article inspections shall be compliant with AS9102. Copies of first article inspection reports shall be submitted with the first shipment of affected parts.
15. A Certificate of Conformance shall be provided with each delivery of production parts. That Certificate of Conformance shall include, at a minimum:
  - a. **PO Number**
  - b. **Safran Cabin Sterling, Inc. Part Number and Quantity**
  - c. **Part Revision**
  - d. **Statement indicating the part complies with required Safran Cabin Sterling, Inc. Drawing / revision or specification.**
  - e. **Material used, when specified on Safran Cabin Sterling, Inc. drawing**
  - f. **Finish applied, when specified on Safran Cabin Sterling, Inc. drawing.**
16. Suppliers are expected to notify Safran Cabin Sterling, Inc. of nonconforming parts. Parts not conforming to required specifications shall NOT be supplied to Safran Cabin Sterling, Inc. without prior written approval. Such written approval shall be referenced on the Certificate of Conformance and attached to the shipping documents. (See section D, Quality.)
17. Suppliers are expected to notify Safran Cabin Sterling, Inc. in the event that nonconforming material has been shipped so that suspect material can be identified and recalled.
18. Suppliers (including distributors) must have a counterfeit part policy and provide it upon request. The counterfeit policy must include provisions of supplying product from the Original Component Manufacturer or qualified distributor. Seller shall notify Safran Cabin Sterling, Inc. immediately upon discovery of any delivery of counterfeit parts/components/ materials. Supplier will be responsible for monetary damages to Safran Cabin Sterling, Inc. and/or its customers for any losses or damages arising from the delivery of counterfeit parts/components or materials.
19. Quality notices provided by Safran Cabin Sterling, Inc. shall be flowed to appropriate sub-tier suppliers.
20. Calibration suppliers are expected to provide the as-received results for Measuring and Test equipment when equipment is found not to conform to requirements.

**B. COMMUNICATION:**

1. Suppliers will be expected to complete and return to Safran Cabin Sterling, Inc. a Biennial Self Survey. Suppliers who do not have a current Survey in our files will be put on inactive status or removed from Approved Suppliers' List.
2. Purchase orders are to be acknowledged and confirmed within 72 hours of receipt of order.

Form #	STLG-OP-7201-F42	<b>Supplier Policies, Terms, and Conditions</b>	Page 4 of 17
Revision	E		

3. Safran Cabin Sterling, Inc. will send major suppliers an Open Order Report, on a weekly basis, to verify that purchase orders and order changes have been received.
4. If the supplier finds a drawing or specification requirement, which cannot be met, or based on history will not produce a part fit for intended use, the supplier is expected to notify Safran Cabin Sterling, Inc. The Supplier is EXPECTED to require written resolution from Safran Cabin Sterling, Inc. before proceeding with the order. This may require communication with one or more members of our Material Review Board (MRB), reference Section D, Quality.
5. DRAWING / SPECIFICATION / PRODUCT CHANGES:
  - a. When a Supplier identifies the need for such a change, the Supplier is required to notify Safran Cabin Sterling, Inc. and obtain written approval before implementing such changes.
  - b. Drawing revisions affecting open purchase orders are provided to the supplier as soon as they are available. Safran Cabin Sterling, Inc. expects timely responses from suppliers, within twenty-four hours, advising how quickly changes can be incorporated into orders in their schedules.
  - c. Safran Cabin Sterling, Inc. will work with the supplier regarding disposition of parts on order and already built when drawing changes are made.
  - d. Whenever possible, the supplier shall implement changes to work-in-process.
  - e. A revised purchase order will be issued for the new revision parts.
  - f. All future orders must meet the revised drawings.
  - g. Suppliers must flow applicable changes down to their sub-tier suppliers.
6. Certificates of Conformance and/or test reports are to be included with parts, unless waived by Safran Cabin Sterling, Inc. **Parts delivered to us without proper documentation will not be received and authorized for payment until supplier provides the required document(s). See Section A-15 for contents of Certificate of Conformance.**

### C. DELIVERY:

1. Suppliers are expected to provide realistic delivery dates. Delivery dates are critical to Safran Cabin Sterling, Inc. production scheduling. Late deliveries negatively impact our ability to serve our customers, which may result in lost business for Safran Cabin Sterling, Inc. and our suppliers.
2. The acceptable delivery window is ten (10) days early and zero days late. Deliveries earlier than ten (10) days must be authorized by the Purchasing Department with the Purchase Order updated accordingly. Unauthorized early and late deliveries will negatively impact the Supplier Performance Evaluation.
3. Safran Cabin Sterling, Inc. expects an on-time delivery performance from suppliers. The required rate is listed on the supplier scorecard and on the purchase order. Delivery performance below the required percentage will generate a request for formal written corrective action.

Form #	STLG-OP-7201-F42	<b>Supplier Policies, Terms, and Conditions</b>	Page 5 of 17
Revision	E		

#### D. QUALITY:

1. Our goal is to have our suppliers qualified to supply parts to us on a “Dock-to-Stock” basis; i.e. without the need for us to perform incoming quality inspections. To achieve this goal, we will evaluate and certify selected suppliers to develop sources that are classified as “Dock-to-Stock”.
2. The supplier is expected to be responsible for the quality of the parts supplied. Suppliers shall perform the necessary inspections and checks to assure that parts meet Safran Cabin Sterling, Inc. requirements. All parts will be warranted for an appropriate period, even when the incoming inspection sample indicated that the shipment was satisfactory.
3. Suppliers shall notify Safran Cabin Sterling, Inc. of suspected nonconforming product having been shipped within 24 hours of detection.
4. Parts received that do not meet Safran Cabin Sterling, Inc. requirements, will be handled as outlined below:
  - a. Parts which do not meet the drawing or specification, but can possibly be used with no degradation of the finished product.
    - Due to the nature of the aerospace industry, in general, parts that do not comply with the drawing or specification cannot be used.

These parts will be processed as follows:

- Contact supplier to determine if more parts are either in process or in their inventory, with same defect.
- Determine whether the deviation is unavoidable and a design change is required.
- Determine whether parts can be reworked to meet the drawing or specification. If so, parts must be reworked. Any parts returned to supplier for rework will require a complete inspection of all dimensions and a new Certificate of Conformance before returning to Safran Cabin Sterling, Inc.
- If drawing change is required, determine whether supplier can ship at current revision under deviation pending drawing update.
- In rare cases, Safran Cabin Sterling, Inc. may obtain approval to use a limited quantity of parts under deviation.
- Material Review Board (MRB) will determine what quantity of parts may be shippable.
- Supplier to be advised of MRB’s decision.
- Concessions may be appropriate as compensation for use of parts that do not meet specifications.

Form #	STLG-OP-7201-F42	<b>Supplier Policies, Terms, and Conditions</b>	Page 6 of 17
Revision	E		

b. Parts which do not meet the drawing or specification, and are unusable, but can be reworked to become a useable part:

- Safran Cabin Sterling, Inc. to determine minimum quantity required to meet our immediate needs.
- Contact supplier to determine if more parts are either in process or in their inventory, with same defect. And, how quickly can usable parts be provided to us.
- If usable replacement or reworked parts can be supplied by the supplier on a timely basis, supplier will supply Safran Cabin Sterling, Inc. with an RMA, and parts will be returned at supplier's expense.
- If supplier cannot supply parts meeting specifications on a timely basis, Safran Cabin Sterling, Inc. will rework parts needed until correct parts are received from supplier.
- Supplier will be charged for the cost of rework.
- Any parts returned to supplier for rework will require a complete inspection of all dimensions and a new Certificate of Conformance before returning to Safran Cabin Sterling, Inc.

c. Parts which do not meet the drawing or specification, are un-useable, and cannot be reworked to become a useable part, are rejected:

- When supplier is contacted for return authorization, return authorization must be issued to Purchaser within 48 hours.
- No response to RMA request will result in Safran Cabin Sterling, Inc. reserving the right to return parts on the 6<sup>th</sup> business day after the initial RMA request.
- Parts will be returned at supplier's expense.
- Or, if so instructed by supplier, Safran Cabin Sterling, Inc. will scrap parts on-site.
- Supplier is expected to provide replacement parts expeditiously.
- Supplier Non-conformance rate (SNCR) will be impacted and is represented within the Supplier Scorecard.

**4. Corrective Action:**

- a. Safran Cabin Sterling, Inc. expects supplier to take appropriate corrective action whenever they are notified of specification noncompliance to prevent a reoccurrence.
- b. Safran Cabin Sterling, Inc. will request a formal response via Corrective Action Requests (CAR) detailing supplier's actions taken and planned, for any nonconformances considered major and/or repetitive.

- c. Responses to CAR's are expected within two weeks of receipt by supplier. Failure to respond to a CAR may result in a payment hold.

**E. SUPPLIER PERFORMANCE TRACKING:**

1. Our objective in tracking performance is to develop a supplier base that will consistently provide quality parts and on time delivery.
2. Acceptance and delivery performance of major suppliers will be monitored on a monthly basis. The monthly results will be averaged to determine the quarterly performance rating. Suppliers are expected to maintain acceptable quality and on-time delivery ratings.
3. Suppliers meeting certain criteria, outlined below, will be considered for Dock-to-Stock Status. Parts that are Dock-to-Stock are not inspected upon receipt at Safran Cabin Sterling, Inc.; they go directly to stock. In general, we expect the following from a "Dock-to-Stock" supplier:
  - a. Supplier must have a history of at least 3 acceptable deliveries of the part indicating that Safran Cabin Sterling, Inc. specifications can be met. A history of 6 acceptable deliveries is recommended for suppliers without ISO/AS/QS certification.
  - b. Supplier must complete Supplier Self-Survey.
  - c. Safran Cabin Sterling, Inc. determines whether an on-site survey is required.
  - d. Supplier must supply a Certificate of Conformance with each shipment.
  - e. Supplier must have demonstrated a willingness to partner with Safran Cabin Sterling, Inc. This criteria is judged by cooperation and communication with Safran Cabin Sterling, Inc. Purchasing, Quality and Engineering.
4. Suppliers that achieve Dock-to-Stock Status will be requested to sign an agreement recognizing that their parts are not inspected upon receipt, and that the responsibility for providing acceptable parts lies solely with them. Since Dock-to-Stock parts are not checked until they are used in production, defects will not be identified until some time period after delivery. The supplier will warrant Dock-to-Stock parts for a period consistent with this policy. Immediate replacement of defective Dock-to Stock parts is imperative due to the impact on our Production Schedule.
5. Suppliers who achieve a low acceptance and on-time delivery rating will be notified of poor performance and improvement will be expected. If poor performance continues for two (2) consecutive quarters, suppliers will be considered for removal from the Safran Cabin Sterling, Inc. Approved Supplier List.

Form #	STLG-OP-7201-F42	<b>Supplier Policies, Terms, and Conditions</b>	Page 8 of 17
Revision	E		

**F. GENERAL WORKMANSHIP STANDARDS:**

1. Parts supplied to Safran Cabin Sterling, Inc. must meet the required cosmetic Zones as specified on drawings. For drawings without cosmetic Zone definition, contact Safran Cabin Sterling, Inc. for information on part requirements. There are basic workmanship standards which may not be specified on the drawings or specifications. These general standards are summarized below. If there are any questions, the suppliers are to contact Safran Cabin Sterling, Inc. for clarification.
  - No sharp edges are permitted; unless specified on the drawing.
  - Dents are not permitted.
  - Cracks are not permitted.
  - Scratches and pitting are not permitted on critical cosmetic surfaces. Contact Safran Cabin Sterling, Inc. for identification of critical cosmetic surfaces not specified on drawings.
  - Weld burn is to be minimized on critical cosmetic surfaces of parts that are not electro-polished.
  - Contact points on electro-polished parts may not be on critical cosmetic surfaces.
  - No contamination or rust permitted. No foreign objects permitted.
  - Parts are to be marked per the drawing; parts wrapped individually or bundled, must have the part number marked on outside of wrapping.
  - All parts are to be packaged in a manner as to protect the parts during shipping.

**G. PROCESS FOR NEW SAFRAN CABIN STERLING, INC. BUSINESS:**

1. When suppliers are requested to submit initial bids on parts, samples of the critical items may be provided for comparison to assure understanding of requirements.
2. Upon award of a contract for existing parts, Safran Cabin Sterling, Inc. shall provide samples of critical parts to the supplier to assure that parts are compatible.
3. Supplier may be requested to submit “first article” sample for inspection / approval to assure compatibility. First article inspection reports meeting the requirements of AS9102 are required.

**H. ACCESS TO SUPPLIER FACILITY:**

1. It is Safran Cabin Sterling, Inc. policy not to perform source inspections on a continuous basis. However, we do reserve the right to perform periodic source inspections and to visit the supplier’s facility for the purpose of reviewing quality systems in place. If Safran Cabin Sterling, Inc. proposes to verify purchased product at the supplier’s facility, Safran Cabin Sterling, Inc. will specify





Form #	STLG-OP-7201-F42	<b>Supplier Policies, Terms, and Conditions</b>	Page 9 of 17
Revision	E		

verification arrangements and the method of product release in the purchasing documents.

Safran Cabin Sterling, Inc. reserves the right to access applicable areas of all facilities and records at any level of the supply chain. This right of access includes access by Safran Cabin Sterling, Inc. customers and regulatory authorities, if requested. When specified in the contract, Safran Cabin Sterling, Inc. customer or Safran Cabin Sterling, Inc. customer's representative shall be afforded the right to verify at the subcontractor's premises and the supplier's premises that subcontracted product conforms to specified requirements.

**III. FEDERAL AVIATION ADMINISTRATION REQUIREMENT:**

1. The FAA requires that all suppliers be informed that any parts or products produced for Safran Cabin Sterling, Inc., either as a result of the issuance of a contract, purchase order, or other means of agreement, are to be manufactured for, and shipped to Safran Cabin Sterling, Inc. exclusively; except in the case of an authorized direct shipment.



Form #	STLG-OP-7201-F42	<b>Supplier Policies, Terms, and Conditions</b>	Page 10 of 17
Revision	E		

**Attachment 1.**

**Safran Cabin Sterling, Inc.  
Terms and Conditions of Purchase**

**1. Terms of Order, Acceptance, and Amendment of Order**

If the Purchase Order constitutes an offer, Supplier's acceptance is hereby expressly limited to the price and conditions contained in the body of the Purchase Order and also those contained herein, and Supplier's acknowledgment or Supplier's shipment of any part of the goods contained therein shall be deemed to constitute such acceptance. If the Purchase Order constitutes an acceptance of an offer, such acceptance is expressly made conditional upon Supplier's assent to the price and all terms and conditions in the body of the Purchase Order and also those contained herein. Shipment of any part of the goods covered hereunder shall be deemed to constitute such assent. The Purchase Order and the Terms contained herein constitutes the entire agreement between the parties hereto pertaining to the subject matter hereof, and there are no oral understandings, representations or warranties affecting it, nor shall the Purchase Order be modified, or other terms or conditions added or implied by any course or dealing, usage, conduct of the parties, Supplier's acceptance or acknowledgment of the Purchase Order or Purchaser's acceptance or payment for the goods covered hereunder and in the body of the Purchase Order. However, the Purchase Order may be amended in writing signed by both Purchaser and Supplier.

**2. Quality and Warranty**

Goods are shipped subject to Purchaser's inspection and approval. Supplier's warranty extends beyond inspection. Supplier warrants that the goods or services furnished pursuant to the Purchase Order will be merchantable, will conform to description and specifications (and if sold by/ sample, will conform to such sample), will be free from all defects in material and workmanship, and all defects due to design (other than Purchaser's design) and will be fit and serviceable for their intended use. Upon request of Purchaser, Supplier at its sole expense shall repair and replace F.O.B. Purchaser's plant, all or any part of machinery and equipment, covered by the purchase order which proves within one year from the date it is placed in operation, to be defective in material and / or workmanship.

**3. Quantity**

Goods shipped in excess of quantity ordered may be returned at Supplier's expense. Purchaser has no responsibility for goods delivered without written order.

**4. Packing, Shipping, Delivery**

No charge will be allowed for packing, crating, freight, express or cartage unless shown on order. Invoice and Bill of Lading shall be rendered separately for each delivery. Time is of the essence hereof, and if any goods are not delivered within the time specified on the purchase order, or within a reasonable time, if no time is so specified, Purchaser may either refuse to accept such goods and terminate the order, or cause the Supplier to ship the goods by the fastest means of transport; whereupon any additional transportation charges in excess of those which would apply for the usual means of shipment, shall be for the account of the Supplier.

Form #	STLG-OP-7201-F42	<b>Supplier Policies, Terms, and Conditions</b>	Page 11 of 17
Revision	E		

**5. Patents**

By Supplier's acceptance of the Purchase Order, Supplier agrees to defend and save harmless Purchaser, its successors, assigns, customers and users of its products, against all claims, suits, damages, and judgements, including reasonable attorney's fees, for actual or alleged infringements of any United States of foreign patent, trademark or copyright, by reason of the manufacturer, use or sale of any article or material ordered.

**6. Tools and Drawings**

Any drawing, blueprint, dies, tools or patterns specially prepared to work on our Purchase Order or furnished by Purchaser, are included in the price to the Purchaser, shall be and remain the property of Purchaser and shall be delivered in good condition upon demand, and be held by the Supplier for the Purchaser and not used for the benefit of any other customer of the Supplier without Purchaser's written consent. Materials furnished by the Purchaser shall be deemed to be held by Supplier upon consignment and Seller agrees that any such material spoiled by it shall be paid for by Supplier at replacement costs. Supplier is responsible for routine calibration / verification of tools provided to maintain suitability for use. Supplier is required to notify Safran Cabin Sterling, Inc. if tooling is worn beyond normal use limits.

**7. Improvements to Purchaser's Premises**

If the Purchase Order is for the installation of equipment or for improvement of Purchaser premises, Supplier hereby agrees: (i) Supplier employees shall not be deemed agents or employees of Purchaser; (ii) Supplier assumes responsibility for the acts or omissions of its employees; (iii) Supplier will defend, indemnify and hold harmless Purchaser from any claims for personal injury, or death, or property damage arising or claimed to arise in connection with Supplier's performance hereunder; (iv) Supplier will furnish certificates evidencing insurance coverage in amounts and companies reasonably acceptable to Purchaser, for Workman's Compensation and Employee's Liability Insurance and Public Liability Insurance (including contractual liability), which certificates shall provide that at least ten days notice of cancellation shall be given Purchaser; and (v) Supplier on request will execute and deliver Purchaser's standard form of indemnity and guarantee.

**8. Force Majeure**

Purchaser's failure to take or delay in taking delivery of any materials or services or any part thereof as ordered on a Purchase Order, if occasioned by causes beyond Purchaser's control, including, but without limitation, acts of God or of the public enemy, acts of the Government, fires, floods, epidemics, quarantine restrictions, labor troubles (including strikes), freight embargoes, unusually severe weather, inability to obtain equipment or materials due to the operation of Government allocations, priorities or preference, and defaults of subcontractors due to any such causes, shall not subject Purchaser to any liability to the Supplier on account thereof but at the Purchaser's option the time for acceptance of delivery may be extended by a period equal to the delays so caused, or the unfilled portion of the Purchase Order may be canceled. Purchaser reserves the right to hold up or cancel the Purchase Order in whole or part in the event governmental laws, regulations and / or administration acts, either directly or indirectly, require such suspension or cancellation or prevent Purchaser from carrying out the manufacture or sale for which the materials and workmanship ordered were being purchased.



Form #	STLG-OP-7201-F42	<b>Supplier Policies, Terms, and Conditions</b>	Page 12 of 17
Revision	E		

**9. F.L.S.A. Compliance**

Supplier agrees that the merchandise will be produced in compliance with the Fair Labor Standards Acts, as amended, and agrees to so certify on its invoices, if so directed, by a stamp placed on the face of the Purchase Order.

**10. E.E.O. / AA Compliance**

Purchaser is an equal opportunity / affirmative action employer. If applicable, the contractor, in performing the work required by the Purchase Order / contract, agrees to comply with the applicable provisions of Executive Order 11246 issued by the President of the United States, September 24, 1965, and the applicable provisions of the Vietnam Era Veterans Readjustment Assistance Act of 1974 and the Rehabilitation Act of 1974, all as amended and to comply with the Rules and Regulations issued thereunder, as set forth at 41 CFR / +0-1.4 (a), 41 CFR / 60-250.4, and 41 CFR / 60-741.5. Contractor / Supplier agrees not to discriminate against any employee or applicant for employment because of race, color, religion, age, sex, disability, national origin, veteran status or any other status protected by applicable law.

**11. Cancellation**

Purchaser reserves the right to cancel the Order in whole or in part : (a) if goods (i) are defective; (ii) are not shipped as specified in the Purchase Order or in any Change Notice; or (iii) are not in accordance with specifications or samples; (b) if Supplier (i) fails to comply with any term or condition of the Purchase Order; (ii) fails to perform any of its promises or warranties in connection with the order or the goods / services ordered; (iii) becomes insolvent or commits an act in bankruptcy; (iv) has a voluntary or involuntary petition in bankruptcy filed against it; or (v) has legal proceedings instituted for the appointment of a receiver or trustee; (c) if, in the reasonable judgement of the Purchaser, Supplier's condition is such as to endanger or impair Supplier's ability to perform; or (d) at Purchaser's convenience, provided that in the event of cancellation, Purchaser will pay Supplier's reasonable costs to the date of cancellation.

**12. Insurance**

Materials of the Purchaser while in the care and custody of the Supplier shall be insured by and at the Supplier's expense against all physical damage, at the full value price of the Purchaser.

**13. Supplier Code of Conduct**

Safran Cabin Sterling, Inc. is committed to the highest standards of ethics and business conduct. Our suppliers are critical to our success and, in order to provide superior products and services in a responsible manner, we require suppliers to meet our expectations for ethics and compliance. Safran Cabin Sterling, Inc. understands and expects that our product and service suppliers will have their own internal codes of ethics and conduct. You are responsible for ensuring that your directors, officers, employees, representatives, and business partners understand and comply with Safran Cabin Sterling, Inc. expectations.

Commensurate with the size and nature of your business, you must have management systems, tools and processes in place that (a) ensure compliance with applicable laws, regulations and requirements; (b) promote an awareness of and commitment to ethical business practices, including,



Form #	STLG-OP-7201-F42	<b>Supplier Policies, Terms, and Conditions</b>	Page 13 of 17
Revision	E		

without limitation, the expectations of Safran Cabin Sterling, Inc.; (c) facilitate the timely discovery, investigation, disclosure (to Safran Cabin Sterling, Inc. and others, as appropriate) and implementation of corrective actions for violations of law, regulations or the expectations of Safran Cabin Sterling, Inc.; and (d) provide training to your employees on compliance requirements, including the expectations set forth in this policy.

#### 14. Conflict Minerals

We have adopted this conflict minerals policy in support of our compliance obligations under the U.S. *Conflict Minerals Rule* and as part of our commitment to responsible sourcing. Under that Rule, “conflict minerals” are tin, tantalum, tungsten, and gold (also known together as “3TG”), which are derivatives of cassiterite, columbite-tantalite, and wolframite, regardless of where they are sourced, processed or sold. The intent of the *Conflict Minerals Rule* is to address violence and human rights violations in the mining of these minerals from portions of an area described as the “Covered Countries,” meaning the Democratic Republic of the Congo (DRC) and its surrounding countries.

Safran Cabin Sterling, Inc. supports the objectives of the *Conflict Minerals Rule*. Furthermore, we do not knowingly procure any 3TG that originates from the Covered Countries unless they are processed by suppliers that are verified or in the process of becoming verified as “conflict free.”

Consistent with the foregoing and the *Conflict Minerals Rule*, we ask our suppliers to undertake reasonable due diligence with their supply chains to determine the location from which 3TG is being sourced and whether the supplier has been verified by an independent third party as “conflict free.” If we discover that products procured by us contain 3TG from the Covered Countries that is processed by facilities that are not third party-verified or in the process of becoming verified, we will take steps to transition the product to other suppliers that conform to this policy.

Form #	STLG-OP-7201-F42	<b>Supplier Policies, Terms, and Conditions</b>	Page 14 of 17
Revision	E		

## Attachment 2

### IDS Terms and Conditions Guide Section A Clause Number: A708

#### SELF CERTIFICATION

(This clause includes representations and certifications that Buyer generally is required to obtain from Bidder in order to comply with various provisions of its Government Contracts. They have been stated in such a way as to allow Bidder's submission of a Quotation/proposal in response to this solicitation to serve as representations and Certifications that will present no bar to Buyer's award of a contract. If Bidder is not prepared to make these representations and certifications, it will so notify Buyer as part of its response to the solicitation.)

By submission of this quotation/proposal, Bidder makes the following representations and certifications:

#### (A) Certification of Non-segregated Facilities

- (i) "Segregated facilities," as used in this provision, means any waiting rooms, work areas, rest rooms and wash rooms, restaurants and other eating areas, time clocks, locker rooms and other storage or dressing areas, parking lots, drinking fountains, recreation or entertainment areas, transportation, and housing facilities provided for employees that are segregated by explicit directive or are in fact segregated on the basis of race, color, religion, or National origin because of habit, local custom, or otherwise.
- (ii) Bidder certifies that it does not and will not maintain or provide for its employees any segregated facilities at any of its establishments, and that it does not and will not permit its employees to perform their services at any location under its control where segregated facilities are maintained. Bidder agrees that a breach of this certification is a violation of the Equal Opportunity clause in the contemplated contract.
- (iii) Bidder further agrees that (except where it has obtained identical certifications from proposed subcontractors for specific time periods) it will -
  - (a) Obtain identical certifications from proposed subcontractors before the award of contracts under which the subcontractor will be subject to the Equal Opportunity clause;
  - (b) Retain the certifications in the files; and
  - (c) Forward the following notice to the proposed subcontractors (except if

the proposed subcontractors have submitted identical certifications for specific time periods).

### **Notice to Proposed Subcontractors of Requirement for Certifications of Non-segregated Facilities**

*A Certification of Non-segregated Facilities* must be submitted before the award of a Subcontract under which the subcontractor will be subject to the Equal Opportunity Clause. The certification may be submitted either for each subcontract or for all subcontracts during a period (i.e., quarterly, semiannually, or annually).

**NOTE:** The penalty for making false statements in bids is prescribed in 18 U.S.C. 1001.

- (B) Previous Contracts and Compliance Reports, Bidder represents that:
  - (i) It has participated in a previous contract or subcontract subject to the Equal Opportunity clause of this solicitation, the clause originally contained in Section 301 of Executive Order No. 10925, or the clause contained in Section 201 of Executive Order No. 11114.
  - (ii) It has filed all required compliance reports.
  - (iii) Representations indicating submission of required compliance reports, signed by proposed subcontractors, will be obtained.
  
- (C) Affirmative Action Compliance (applicable if Bidder has 50 or more employees), Bidder represents that:
  - (i) If required to do so by the rules and regulations of the Secretary of Labor (41 CFR 60-1 and 60-2), it has developed and has on file a written Affirmative Action Compliance Program at each of its establishments, or
  - (ii) In the event such a program does not presently exist, and the contract contemplated by this solicitation is for \$50,000 or more, that it will develop and place in operation such a written Affirmative Action Compliance Program within 120 days from the award of the contemplated contract.
  
- (D) Certification Regarding Debarment, Suspension, Proposed Debarment, and Other Responsibility Matters
  - (i) Bidder certifies that, to the best of its knowledge and belief, it, or its principals, is not presently debarred, suspended, proposed for debarment, or ineligible from entering into contracts with the Executive Branch of the Federal Government.
  - (ii) Bidder shall provide immediate written notice to Buyer if Seller learns that its Certification was erroneous when submitted or if Seller and/or any of its principals have become debarred, suspended, or proposed for debarment by the Federal Government or by any Federal agency.

Form #	STLG-OP-7201-F42	<b>Supplier Policies, Terms, and Conditions</b>	Page 16 of 17
Revision	E		

- (E) Clean Air and Water Certification, Bidder certifies that
- (i) None of the facilities to be used in the performance of the contract contemplated by this solicitation are listed on the Environmental Protection Agency (EPA) List of Violating Facilities.
  - (ii) Bidder further certifies that subsequent to submittal of its proposal and prior to award of this contract it has not received It will immediately notify Buyer, before award of the contract contemplated by this solicitation of the receipt of any communication from the Administrator, or a designee, of the EPA, indicating that any facility that Bidder proposes to use for the performance of this contract is under consideration to be listed on the EPA List of Violating Facilities.
  - (iii) Bidder will include a certification substantially the same as this certification, including this paragraph (iii), in every nonexempt subcontract.
- (F) Certification and Disclosure Regarding Payments to Influence Certain Federal Transactions
- (i) The definitions and prohibitions contained in the clause at FAR 52.203-12, Limitation on Payments to Influence Certain Federal Transactions, are hereby incorporated by reference in paragraph (ii) of this certification.
  - (ii) The offeror, by signing its offer, hereby certifies to the best of his or her knowledge and belief that on or after December 23, 1989,
    - (a) No Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress or an employee of a Member of Congress on his or her behalf in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment or modification of any Federal contract, grant, loan, or cooperative agreement;
    - (b) If any funds other than Federal appropriated funds (including profit or fee received under a covered Federal transaction) have been paid, or will be paid, to any person for influencing or attempting to influence an Officer or employee of any agency, Member of Congress, an officer or employee of Congress or an employee of a Member of Congress on his or her behalf in connection with this solicitation, the offeror shall complete and submit, with its offer, OMB standard form LLL, Disclosure of Lobbying Activities, to the Contracting Officer; and
    - (c) He or she will include the language of this certification in all subcontracts awards at any tier and require that all recipients of subcontract awards in excess of \$100,000 shall certify and disclose accordingly.





Form #	STLG-OP-7201-F42	<b>Supplier Policies, Terms, and Conditions</b>	Page 17 of 17
Revision	E		

- (iii) Submission of this certification and disclosure is a prerequisite for making or entering into this contract imposed by Section 1352, Title 31, United States Code. Any person who makes expenditure prohibited under this provision or who fails to file or amend the disclosure form to be filed or amended by this provision, shall be subject to a civil penalty of not less than \$10,000, and not more than \$100,000, for each such failure.

**Safran Cabin Sterling, Inc.**

44931 Falcon Place  
Sterling, VA, 201666, USA

This document and the information it contains is the property of Safran. It may not be used, reproduced or transmitted to a third party without prior written approval.