

GENERAL PURCHASING CONDITIONS
AERONAUTICAL SUPPLIES
SAFRAN GROUP COMPANIES IN THE UK

SAFRAN GROUP
GENERAL PURCHASING CONDITIONS OF AERONAUTICAL SUPPLIES

1 - DEFINITION	3
2 - CONTRACTUAL DOCUMENTS	5
3 - MODIFICATIONS	6
4 - ORDERING PROCEDURE	6
5 - DELIVERY	7
6 - DEADLINES	8
7 - ACCEPTANCE	9
8 - TRANSFER OF TITLE	10
9 - ENTRUSTED (OR BAILED) PROPERTY	10
10 - PRICE - INVOICING - PAYMENT TERMS	11
11 - WARRANTY	12
12 - MAINTENANCE	13
13 - STOCK	13
14 - SPECIALIZED EQUIPMENT	14
15 - LONG-TERM OUTLOOK	14
16 - INDUSTRIAL AND INTELLECTUAL PROPERTY	14
17 - LIABILITY - INSURANCE	15
18 - COMPLIANCE WITH LABOUR REGULATIONS	15
19 - COMPLIANCE OF THE SUPPLY WITH REGULATIONS AND STANDARDS	16
20 - SUPPLY'S PERFORMANCE AT THE PURCHASER'S SITE	16
21 - SUPPLIER'S PERSONNEL	17
22 - CONFIDENTIALITY	18
23 - OFFSET	19
24 - FORCE MAJEURE	19
25 - TRANSFER - ASSIGNMENT - SUBCONTRACTING	20
26 - EXPORT CONTROL	20
27 - TERMINATION	21
28 - ETHICS	23
29 - MISCELLANEOUS	23
30 - APPLICABLE LAW - JURISDICTION	24
APPENDIX 1 - FIRST DEMAND GUARANTEE	26
APPENDIX 2	28

THESE GENERAL PURCHASING CONDITIONS SET OUT THE TERMS AND CONDITIONS ON AND SUBJECT TO WHICH SAFRAN GROUP COMPANIES IN THE UNITED KINGDOM PURCHASE AERONAUTICAL PRODUCTS AND/OR SERVICES FROM SUPPLIERS.

1 - DEFINITION

Acceptance Report: A document issued by the Purchaser, signed by both Parties, confirming the acceptance by the Purchaser of delivery of the Supply.

Background IPR: the Intellectual Property Right owned by or licensed to a Party prior to the date of the Order which is used in creating and delivering any and all elements of the Supply or Works.

Declaration of Conformity: A document given by the Supplier warranting that the Supply complies with the Specifications and all applicable standards and other regulations in force.

Documentation: Any and all document(s) issued or provided by the Supplier necessary for the achievement of manufacture (including controls and trials), installation, removal, use, operation, maintenance, repair and overhaul of the Supply and/or Specialized Equipment by the Purchaser or the Final Client, which may include (but are not limited to) handbook(s), plan(s), description(s), model(s), or instruction(s).

Entrusted (or Bailed) Property: Property of any kind or nature entrusted (or bailed) by the Purchaser to the Supplier and placed under the control and responsibility of the Supplier, including any property procured, or manufactured by the Supplier, on behalf of the Purchaser, being used to perform the Order such as specific tooling.

Final Client: The Final Client may be (i) the client of the Purchaser, (ii) the ultimate purchaser of engines or equipment and/or of services incorporating the Supply, and/or (iii) the company maintaining the engine or equipment.

Foreground IPR: any and all Intellectual Property Right which arises or is developed by the Supplier or by any permitted subcontractor of it on its behalf in the course of or in connection with the creation or delivery of any and all elements of the Supply or Works.

General Purchasing Conditions: The conditions set forth in this document.

Intellectual Property Rights” or “IPR” : any and all intellectual property rights including without limitation patents, trademarks, design rights, copyright, rights in databases, domain names, Inventions, topography rights, petty patents, supplementary protection certificates, utility models, plant visiting rights, rights in interpretation, Knowhow and all similar rights (whether or not registered or capable of registration and whether subsisting in the United Kingdom or any other part of the world, now or in the future) together with any and all goodwill relating or attached thereto and all extensions and renewals thereof.

Know-how : each and every element of knowledge, experience or skill (whether patentable or not written or unwritten) the Purchaser or the Supplier has acquired or developed and continues to acquire or develop in relation to the design, development, manufacturing, conception, specification, function, sale and application of any item comprised in the Supply or Works and retained by it as information confidential to it and which has a commercial value which, if exploited by others, would be detrimental to the Purchaser or the Supplier (as the case may be) and cause it loss, such knowledge comprising (by way of description and not limitation) technical data,

manufacturing data, experimentation and test data, formulae, algorithms, standards, analytical and quality control data, technical information and drawings, specifications, processes (including manufacturing processes, methods, specifications and techniques), methods, code books, raw materials, as well as information, knowledge, assistance, trade practices and secrets and improvements thereto and whether or not divulged, disclosed or in any way communicated to the other in or in connection with any of the Contractual Documents.

Official Authorities: Any national or international organization with the authority (including by delegation of a public authority) to monitor the performance of the Supply ordered, including but not limited to organizations that certify or approve aeronautical products or services, or organizations that audit businesses.

Order: That certain document, regardless of the form, issued by the Purchaser and sent to the Supplier, setting out details of the Supply it wishes to purchase or lease from the Supplier, including without limitation, the designation of the Supply ordered, deadlines, the price, and a reference to these General Purchasing Conditions and the related Specification if any.

Party(ies): Singularly, the Purchaser or the Supplier, and collectively both the Purchaser and the Supplier.

Purchaser: The Safran Group Company issuing the Order.

Results: Refers to all elements of any nature whatsoever, regardless of their medium or form, including processes, data, moulds, tooling, equipment, software, sets of documents, plans, technical sheets, data, drawings, models, prototypes, sets of trials, or any other element, regardless of whether or not it gives rise to intellectual and/or industrial property rights, and which is produced or developed for the Purchaser on the basis of the plans and/or diagrams and/or any other specifications of the Purchaser in the course of the performance of the Order. For the avoidance of doubt, any and all Results are part of the Supply.

Specialized Equipment: Any and all equipment financed or supplied by the Purchaser or the Supplier for the performance of the Order, or any and all equipment that is the object of the Order. Specialized Equipment includes (but is 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, and coding software tools.

Specifications: Any document setting out the requirements that the Supplier or the Supply shall comply with, the Purchaser's needs and the performance conditions of the Supply, including the statement of work description, applicable standards and quality requirements.

Supplier: The natural person or legal entity to whom 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. These General Purchasing Conditions set forth the contractual relationship between the Supplier and the Purchaser within the framework of the Orders. These General Purchasing Conditions may be completed, clarified, or amended by special terms and conditions within the framework of a document negotiated and signed by the Supplier and the Purchaser. These General Purchasing Conditions may also be supplemented by the issuance of additional Specifications sent, or agreed to in writing, by the Purchaser.

The relationship between the Purchaser and the Supplier related to the Supply is governed by the following contractual documents (collectively, the "Contractual Documents"), listed in order of decreasing priority:

- The Order;
- The Specifications.
- If applicable, the contract or the special terms and conditions of purchase;
- The General Purchasing Conditions;

It is however understood that the Order must be performed in accordance with the provisions of the agreements concluded between the Parties, unless otherwise agreed to in writing by mutual agreement.

In the event of contradiction between any two documents listed above, the document listed higher shall prevail.

2.2. Should one of the contractual documents states that any element or all of the Supply relates to public procurement contracts for a governmental or quasi-governmental entity, the Supplier, as a subcontractor to such contract, shall comply with the applicable provisions of such public contracts and shall pass any relevant obligations on any of its permitted subcontractor(s).

In the event that any element or all of the Supply relates to a foreign public organization's procurement contracts, the Supplier agrees also to abide by the applicable rules and regulations of that foreign jurisdiction.

2.3. The Order shall be deemed to have been fully accepted by the Supplier upon the earlier of:

- Purchaser's 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;
- Commencement of performance of the Order by the Supplier.

Upon acceptance of the Order, the Supplier accepts the Contractual Documents without any reservation. The Contractual Documents constitute the entire agreement between the Parties.

Any other conditions that would complete or modify the Contractual Documents shall not be enforceable against the Parties without their prior express agreement in writing.

3 - MODIFICATIONS

3.1. The Purchaser, at any time and in its sole and absolute discretion, may modify the Specifications.

3.2. As soon as possible after receiving a modification, the Supplier shall provide the Purchaser with 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 a detailed analysis with respect to stocks and work-in-process. After agreement between the Parties on the conditions of the modifications, the Purchaser shall issue an amended Order, which shall set forth the conditions for the delivery of future Supply.

3.3. If the Purchaser does not accept such assessment and the Parties are unable to reach agreement on the Purchaser's required modification, the Purchaser shall be entitled without incurring any liability to terminate the related Order.

3.4. If any modification request is necessary to (i) ensure the continuing airworthiness of the Supply, (ii) maintain the Purchaser's warranties, or (iii) prevent the Official Authorities from refusing, withdrawing or restricting their approval of the Supply (or any related good or service), the Supplier shall immediately take all measures to retrofit any Supply delivered, and make all modifications necessary to any Supply yet to be delivered. Additional costs relating to such modifications shall be agreed to by both of the Parties; provided that if such modification is necessary to ensure the Supply meets the Specifications, then the Supplier shall bear any and all such costs.

4 - ORDERING PROCEDURE

4.1. The Supplier undertakes to perform the Orders issued by the Purchaser in accordance with the provisions of the Contractual Documents, industry best practices and methods, state of the art rules, and any and all national and international regulations and standards as they apply to the subject matter of Orders and are from time to time in force.

4.2. The Supplier is solely and fully responsible for determining the resources required to perform the Order. Specifically, the Supplier shall obtain all necessary rights, elements and information to perform the Order in accordance with the Contractual Documents. Upon acceptance of the Order, the Supplier is deemed to have obtained all necessary elements and information to carry out the Order, or will have done so prior to providing the Supply. Moreover, the Supplier shall promptly inform the Purchaser of any existing difficulties or anomalies that may also occur during the implementation of the Order.

4.3. The Supplier has an obligation to inform and advise the Purchaser with any type of information relevant to the Purchaser regarding the Supply and/or Order. In addition, the Supplier shall inform the Purchaser without delay and in writing of any situation that may jeopardise the satisfactory performance of the Order. Without prejudice to the foregoing, the Supplier shall inform the Purchaser if it has reasonable grounds to consider that it may be or become unable to pay its debts at any time up to and including delivery of the Supply to the Purchaser within the meaning of Section 123 of the Insolvency Act 1986.

If, in order to perform the Order, the Supplier is obliged to obtain the consent of any third party or authorisation from any authority, the Supplier, before the completion of the Order, shall obtain all such necessary consents and authorisations. For the avoidance of doubt, such consents and authorisations must be obtained prior to the shipment of the Supply to the Purchaser or performance of the Works.

4.4. The Supplier's quality system shall meet the quality requirements applicable to the Purchaser's suppliers, as set forth in the procedures or any other documents released to the Supplier by the Purchaser.

Upon reasonable prior notice, throughout the duration of the Supply's performance, the Supplier undertakes to (i) grant the Purchaser, the representatives of any relevant Official Authorities, and the representatives of any Final Client free access, during business hours, to any and all premises at which the Order is being performed, and to (ii) provide any document relating to the Supply, the Works, and/or the Order created or used by the Supplier in its performance. The Supplier shall obtain these same rights from any of its subcontractors.

The Supplier warrants that any Products it has designed, or that it has manufactured under a licence from a third party, and all of the Services which the Supplier provides, comply with all codes, regulations, procedures, and other applicable rules or laws issued by the applicable, competent authorities.

The Supplier shall establish a system of document management and secure archiving to ensure the traceability of the Supply. The Supplier agrees to make any and all modifications necessary to ensure that such a system complies with the Purchaser's, or the Final Client's, requirements.

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

4.6. The Supplier shall issue a report, on at least a monthly basis, that keeps the Purchaser informed of the actual progress of the manufacturing of Products and/or of the carrying out of Services. That report shall include a forecast of deliveries over a minimum period of six (6) months from the date of such report.

4.7. When the Supply comprises or includes the purchase of Specialized Equipment, the Supplier shall, at no additional charge, train the Purchaser's operators, machine programmers, maintenance specialists, and other applicable personnel, so that the Purchaser's personnel can autonomously and optimally use and ensure the maintenance of this Specialized Equipment. This training shall be completed prior to the issuance of a final Acceptance Report of the Supply.

5 - DELIVERY

5.1. Any delivery of Supply shall be accompanied by the Declaration 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;
- The Supply's reference number;
- Description of the Supply as specified in the Order;
- Declaration of Conformity (if applicable);
- Quantity delivered and, if applicable, the serial number and the individual number of products/parts ;

- The number of packages (if necessary);
- The number of units being purchased; and
- 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 Supplier agrees that the delivery and availability of the information described in clause 5.1, 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 reject and return, or make available for pickup by the Supplier, at the Supplier's sole cost and risk, any goods that do not comply with the Specifications and any Contractual Documents, or which include a modification to the Specifications that are unacceptable to the Purchaser in its sole and absolute discretion. The Purchaser reserves the right to refuse all or part of a batch in which certain goods do not conform to the Contractual Documents.

5.4. Unless otherwise provided in the Order, the delivery of the Supply shall be DAP "address of the Purchaser" (Incoterms 2010 - International Chamber of Commerce). Notwithstanding the foregoing, 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, and applicable regulations and standards in force. Such packaging shall include all necessary instructions and provide sufficient protection to ensure that the Supply undergoes no deterioration during transport and/or storage. Any Supply determined upon delivery to be damaged shall be returned to the Supplier, with any and all transport, repair, assembly, and trial costs, to be solely borne by the Supplier.

5.6. If the Supply comprises or includes Specialized Equipment, the delivery shall be subject to the agreement of the Purchaser at least seventy-two (72) business hours before the Specialized Equipment is dispatched. Furthermore, the Supplier is responsible for unloading, handling operations, installation, assembly and making the Specialized Equipment operational at the Purchaser's site, in accordance with the provisions stated in the Contractual Documents. In the event that the Supplier asks the Purchaser to provide tooling or other Purchaser goods and/or services which were not specified in the Order, the Purchaser reserves the right to invoice the Supplier, given that the Supplier shall use the Purchaser's tooling, goods, and/or other services at the Supplier's own risk and under the Supplier's sole responsibility.

5.7. The Supplier shall take all necessary measures to prevent stock shortages. Accordingly, the Supplier shall make available safety stocks or other reasonable, and similar, alternatives. 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 provisions of the Contractual Documents, and delivery of the Supply. The performance of the obligations according to the deadlines agreed between the Parties constitutes an essential condition without which the Purchaser would not have issued the Order.

6.2. The Supplier shall promptly inform the Purchaser of any anticipated delay in meeting the contractual deadlines in writing. Such writing must also include any and all measures taken to remedy such delay. Except for Force Majeure Events (as defined in Clause 24.4 below), the Supplier shall bear any additional expenses incurred or to be incurred by it in performing such remedial measures.

6.3. In the event of failure to meet contractual deadlines, the Purchaser shall, in its sole and absolute discretion:

- apply, unless otherwise agreed by the Parties in a signed document, automatically, and without prior notice, a fee equivalent to 0.5% of the pre-tax price of the relevant Order per calendar day delay, these fees being capped at 15% of the pre-tax amount of the Order and/or
- terminate the Order under the terms and conditions referred to in Clause 27, "Termination" below, without any indemnity being due to the Supplier.

Should the loss suffered by the Purchaser exceed the amount of the fees defined above, the Purchaser shall be entitled to claim for and will be justified to obtain the full compensation for the damages, losses, claims, expenses and costs incurred or suffered by the Purchaser as a result of said breach, delay in delivery or non-conformity, after deduction of the amount of the fees already paid by the Supplier with regards to the breach having caused such loss or damage.

The right for the Purchaser to claim compensations and other damages is in addition to and without prejudice to any rights the Purchaser may have at law and/or under the Contractual Documents. Notwithstanding anything to the contrary, and without prejudice to any other right or remedy it has or may have, the Purchaser may, with ten (10) calendar days' prior notice to the Supplier, set off or recoup any liability it owes to the Supplier against any liability for which the Purchaser determines in good faith the Supplier is liable to the Purchaser, whether either liability is matured or unmatured, is liquidated or unliquidated.

6.4. In the event of early delivery or delivery of excess quantities of the Supply, the Purchaser reserves the right either (i) to accept the early or excess Supply, (ii) to make the early or excess Supply available for collection to the Supplier at the Supplier's own risk, or (iii) to return the early or excess 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.

Final Acceptance is pronounced after: (i) the Supplier sends the Declaration of Conformity, (ii) the Purchaser has no remaining reservations with respect to the Supply (or its operation), and (iii) the Purchaser or the Final Client has verified the Supply. Such verification shall occur during the specified period in the Contractual Documents. Upon acceptance being complete, the Purchaser shall issue the Acceptance Report, and on that date the warranty period shall begin.

7.2. The Supplier agrees that the Purchaser shall not be deemed to have accepted a Supply other than in accordance with strict compliance with the procedure set out in clause 7. Unless otherwise agreed between the Parties, the acceptance procedure or the verification of the

conformity of the Supply (as described in article 7.1) shall be made within thirty (30) days after 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, nor shall such events be interpreted to affect any available warranty.

7.3. If the Final Client participates, carries out, or validates acceptance of the Supply, then the Acceptance Report becomes valid upon the Final Client's written agreement thereto.

7.4. If a Supply does not conform to the Contractual Documents, the Purchaser shall inform the Supplier to allow the Supplier to inspect the non-conformity as quickly as possible. If the Supplier does not inspect or dispute the non-conforming Supply within fifteen (15) calendar days, the Purchaser reserves the right, in its sole and absolute discretion:

- To accept the non-conforming Supply, in exchange for a mutually agreeable price discount and the Supplier shall bear all costs of the assessment and calculation of any such discount;
- To accept it after corrective work at the Supplier's sole 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 Supplier's sole expense and risk within fifteen (15) calendar days of the date of notification of non-conformity by the Purchaser; or
- To refuse it and return it to the Supplier, at the Supplier's sole expense and risk.

The non-conforming Supply refused by the Purchaser shall be deemed undelivered and shall give rise to the application of the fees provided in Clause 6 "Deadlines" above without prejudice to the Purchaser's right to seek damages at large and/or cancel the Order.

8 - TRANSFER OF TITLE

The transfer of title 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, provided that
- with regard to the Results, as and when they are produced.

9 - ENTRUSTED (OR BAILED) PROPERTY

Entrusted (or Bailed) Property shall be used exclusively for the performance of the Orders and is deemed to be lent to the Supplier on and subject to the provisions of this Clause 9.

Entrusted (or Bailed) Property remains the property of its owner (the Purchaser, or the person who entrusted it to the Purchaser), or of the Final Client. The Entrusted (or Bailed) Property 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 (or Bailed) 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 (or Bailed) Property which has been placed at the Supplier's disposal or financed by

the Purchaser. When the inventory is not transmitted to the Purchaser as stated above, the Purchaser may attend at the Supplier's premises to effect and take such an inventory at the Supplier's cost and the Supplier will afford the Purchaser all required co-operation for this purpose.

Upon the Purchaser's request, the Supplier shall, as soon as possible, return any portion of the Entrusted (or Bailed) Property in the same condition as when provided, fair wear and tear excepted with any and all certificates and authorizations relating thereto being up-to-date. At the time that any portion of the Entrusted (or Bailed) Property is returned to the Purchaser, the Purchaser and the Supplier shall update the inventory of which Party possesses the Entrusted (or Bailed) Property.

The Supplier shall monitor the Entrusted (or Bailed) 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 (or Bailed) Property, the Supplier shall promptly inform in writing the Purchaser, take all the necessary measures to defend the rights of the owner of the Entrusted (or Bailed) Property and ensure that the interference ceases. Should the Supplier have a lien granted by law on the Entrusted (or Bailed) Property, then upon the acceptance of the Order, the Supplier shall expressly and immediately surrender such lien of the Entrusted (or Bailed) 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 applicable taxes except VAT. These prices include all the costs and expenses incurred by the Supplier for the performance of the Order, including the assignment of potential Results and related economic rights as well as shipping expenses to transmit the Supply and/or the Results to the Purchaser's site(s).

10.2. The Supplier shall invoice the Supply in accordance with the Contractual Documents and, in any case, not before the delivery of the Supply. When an invoicing schedule is mentioned in an Order, the Supplier shall comply.

Invoices shall be drawn by the Supplier in accordance with applicable regulations and include, in addition to legal notices, the following:

- The Order number;
- The item number in the Order;
- The date and number of the delivery slip or the performance report;
- The Supplier's code, as provided by the Purchaser; and
- A detailed description of the Supply as described in the Order.

10.3. 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 model in Appendix 1 or by any other guarantee agreed between the Parties. Any final payment is only made by the Purchaser upon a final Acceptance Report, and once the Supplier has handed over the technical Documentation, related inventory plans, the maintenance instructions, and the Declaration of Conformity.

10.4. Except stated otherwise in the Order, an invoice shall be paid sixty (60) days net from the date of issuance of such invoice.

If the Purchaser fails to make any payment due to the Supplier by the due date for payment, then the Purchaser shall pay interest on the overdue amount at the rate of 4% per annum above Bank

of England's base rate from time to time as well after as before judgment. Such interest shall accrue on a daily basis from the due date until actual payment of the overdue amount. This Clause shall not apply to payments the Purchaser disputes in good faith.

11 - WARRANTY

11.1. The Supplier warrants that the Supply, and any sub-parts thereto, and/or the Results shall be free from defects in design, in manufacturing, or in operation as well as against any defects in materials and component parts. The Supplier further warrants that the Supply, any relating Services, and/or the Results shall be free from defects in workmanship in accordance with the contractual documents.

Unless otherwise specified in the Order, the duration of the warranty is five (5) years from the later of (a) the date of the delivery of the Supply, or (b) the date of the issuance of the final Acceptance Report. The warranty shall cover, at the Purchaser's option, (i) any refurbishment or replacement of the Product or Service correction, or (ii) reimbursement of the price of the Supply. The warranty covers parts, labour, transport and travel on a full indemnity basis. The warranty also includes the cost of disassembly (including the aircraft engine and/or the equipment subject of the Supply), handling, customs duties and reassembly of parts.

FOR THE AVOIDANCE OF DOUBT, NOTHING IN THIS WARRANTY CLAUSE SHALL PREJUDICE THE PURCHASER'S RIGHT TO COMPENSATION FOR ANY DAMAGES SUSTANIED BY THE PURCHASER AS A RESULT OF THE SUPPLY, THE RESULTS, OR THE WORKS.

11.2. Unless otherwise specified in the Order, replacements or reimbursement of the Supply under the warranty provided in this Clause shall be performed within a maximum period of fifteen (15) days following the written notice of the defect sent by the Purchaser (or by the Final Client). If a Supply includes several subsets, then the Supplier shall, at its sole expense, correct any anomaly and damage to any and all subset that may be damaged by such defect(s) or malfunction(s).

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 original warranty period or until twelve (12) months after the time of the repair/correction, whichever shall be the later. 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 work at the Supplier's sole expense on a full indemnity basis.

11.4. The Supplier shall, during the performance of the Order and until the expiry of the Supplier's warranty obligations, maintain complete production of any components of the Supply or knowledge of any applicable service, so as to be able to provide such components or service (including but not limited to any spare parts) in accordance with the Purchaser's needs and the warranty obligations set forth herein.

11.5. When the Supply is related to Specialized Equipment:

During the warranty period, the Supplier shall send a technician free of charge to the Purchaser's nominated premises within two (2) days after the Purchaser's notice that any Specialised Equipment is or may be the subject of a warranty claim and ensure that all required remedial action is completed within five (5) business days from notification of the Specialized Equipment's failure. In the event of delays in completion of such remedial action, the Purchaser may apply automatically and without prior notification, a charge by way of agreed fees equal to 0.2% of the

Specialized Equipment's price per business day of delay per warranty claim. These fees shall be capped at 15% of the total amount, without VAT, of the applicable Supply.

The Supplier shall propose to the Purchaser, no later than upon delivery of the Specialized Equipment, a contract defining the maintenance conditions for the Specialized Equipment at the end of the warranty period. This maintenance contract shall provide, in particular: (i) the regularity and type of verifications carried out during preventive maintenance visits by the Supplier, (ii) the breakdown response times for which delays will be sanctioned by fees of 0.1% of the purchase's price of the Supply per business day of delay, capped at 15% of the total amount, without VAT, of the then current annual maintenance charge stated in such maintenance contract per warranty claim, (iii) the price of the maintenance and the conditions for annual revision of this price, (iv) the prices and delivery times for spare parts, (v) the Supplier's guarantee with respect to the maintenance services, (vi) the period of time during which the Supplier undertakes to provide the maintenance services and the supply of spare parts, this period being not less than five (5) years starting from the date on which the maintenance contract takes effect.

Should the loss suffered by the Purchaser exceed the amount of the fees defined above, the Purchaser shall be entitled to claim for and will be justified to obtain the full compensation for the damages, losses, claims, expenses and costs incurred or suffered by the Purchaser as a result of said breach, delay in delivery or non-conformity, after deduction of the amount of the fees already paid by the Supplier with regards to the breach having caused such loss or damage.

The right for the Purchaser to claim compensations and other damages is in addition to and without prejudice to any rights the Purchaser may have at law and/or under the Contractual Documents. Notwithstanding anything to the contrary, and without prejudice to any other right or remedy it has or may have, the Purchaser may, with ten (10) calendar days' prior notice to the Supplier, set off or recoup any liability it owes to the Supplier against any liability for which the Purchaser determines in good faith the Supplier is liable to the Purchaser, whether either liability is matured or unmatured, is liquidated or unliquidated.

12 - MAINTENANCE

In the event the Supplier shall provide maintenance services for the Supply, the Supplier agrees to:

- Obtain all relevant approval from the Official Authorities;
- Offer the maintenance services as long as the engine or equipment incorporating the Supply remains in operation, and (as set forth in Clause 11.4 herein) maintain the Supplier's complete production of such Supply, so that the Supplier is able to provide any necessary products and spare parts. For the avoidance of doubt, the Supplier shall hold available to the Purchaser a complete price list of parts and different subsets of the Products covered by the Order. Further, the Supplier shall ensure that the aggregate price of each spare part shall not exceed the aggregate price of a complete piece of the Supply (less the cost of assembly operations and partial and final tests);
- Provide any necessary technical assistance to the Purchaser or the Final Client during the general overhaul or repair of the Supply;
- 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 provided that the Purchaser has previously approved 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 it has certified organizations run in connection with such stock. Notwithstanding a third party providing stock or other parts necessary for an Order, the Supplier shall still be solely responsible to furnish the Supply in accordance with the Contractual Documents.

13.2. In the event that the Purchaser supplies, for the provision of service, raw material or forgings to the Supplier of the Purchaser's own property, the Supplier shall (upon the Purchaser's request) immediately return all scraps, turnings, rejects, and excess of material derived from the Supplier production. Such returned items shall at all times be and remain the Purchaser's property.

14 - SPECIALIZED EQUIPMENT

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

When the Purchaser finances the Specialized Equipment, the Purchaser becomes the owner on acceptance of the Specialized Equipment. The acceptance of Specialized Equipment can only occur upon acceptance of the first batch of Supply manufactured with such Specialized Equipment. The associated plans and documents become the property of the Purchaser under the conditions of Clause 8 "Transfer of Title" for the Results.

15 - LONG-TERM OUTLOOK

The Supplier shall inform the Purchaser at least eighteen (18) months in advance of any production stoppage or withdrawal from its catalogue of goods and services available for sale to the Purchaser as a Supply.

In the case of Orders whose implementation spreads over time, the Supplier undertakes to implement a business continuity plan to ensure compliance with this Clause 15 in all foreseeable circumstances.

16 - INDUSTRIAL AND INTELLECTUAL PROPERTY

16.1. Any Foreground IPR created in the performance of an Order shall vest in and be the exclusive property of the Purchaser. The Supplier assigns (by way of present and, where appropriate, future assignment) all such Intellectual Property Rights with full title guarantee to the Purchaser.

16.2. The Supplier grants to the Purchaser a non-exclusive, assignable, irrevocable, perpetual, worldwide, royalty free licence to use the Supplier's Background IPR incorporated into any element of the Supply and/or Works in so far as is necessary to utilise them with the right to sublicense to any and all Final Clients for the purpose of using the Supply and/or the Work or any part or parts of it.

16.3. The Purchaser grants a limited non-exclusive licence to the Supplier (without the right to sub-license) to use the Foreground IPR for the sole purpose of performing its obligations under the Contractual Documents.

16.4. The Supplier will at all times and at its own expense indemnify, defend and hold the Purchaser harmless from and against any and all suits, liabilities, costs, claims, proceedings, damages, losses and expenses incurred or sustained in relation to the infringement or alleged infringement of any patent, copyright or other Intellectual Property Rights of third parties covering, or alleged to cover, any element of the Supply or Works and their use, provided that in all instances the Supplier shall be given (a) prompt written notice of all claims of any such infringement and of any suits brought or threatened against the Purchaser and (b) authority to assume the conduct thereof and to compromise or settle any suits.

16.5. Without prejudice to Clause 16.4 above, the Supplier shall, at its own cost, and without prejudice to the Purchaser's right to seek reimbursement for any loss incurred, do one or more of the following (to be determined in the Purchaser's sole and absolute discretion): (i) obtain the right to continue using the Supply, (ii) replace or modify the Supply in order to put an end to the infringement of the third party's rights, while ensuring the requirements in the Contractual Documents are met, or (iii) reimburse the Purchaser for the Supply.

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-compliance with any of its obligations by the Supplier arising under any of the Contractual Documents. The Supplier shall indemnify the Purchaser for any loss or damage sustained by the Purchaser, including the cost of repair and/or replacement that would result from any damage or loss to Entrusted (or Bailed) 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 shall maintain necessary insurance policies in an amount commensurate with the risks and liabilities assumed or undertaken by the Supplier under the general law and the Contractual Documents. Upon Purchaser's request, the Supplier shall provide proof of the validity of the insurance policies it has taken out by producing certificates issued by its insurers. Moreover, the Supplier shall produce proof that it has paid its premiums and shall provide certificates confirming (at regular intervals) the renewal of its policies for the following period, 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 at the Supplier's sole expense.

If Entrusted (or Bailed) Property is located at the Supplier's premises, the Supplier shall maintain, on behalf of the Purchaser, a comprehensive risk insurance policy covering any damage to the Entrusted (or Bailed) Property, whatever the cause of damage. The Purchaser will be named as an additional insured party thereunder. Any Purchaser insurance shall only be supplemental to the Supplier's insurance policy.

Notwithstanding anything to the contrary herein, the amount of the Supplier's insurance policies shall not limit the Supplier's liability vis-à-vis the Purchaser.

18 - COMPLIANCE WITH LABOUR REGULATIONS

The Supplier guarantees that it complies with all applicable employment and labour laws. The Supplier also guarantees that the Supply shall be performed in compliance with the employment and labour laws in force in the countries in which the Supply is manufactured or provided.

The Supplier warrants that it shall not operate its business in such a way as to render TUPE applicable to its fulfilment of the Supply.

19 - COMPLIANCE OF THE SUPPLY WITH REGULATIONS AND STANDARDS

The Supplier guarantees that the Supply and all elements of it will comply with any and all applicable law, regulations and standards, including health, hygiene, safety, traceability of products and protection of the environment in force in the country of delivery, and in any other country where the Supplier has been informed that the Supply will be used.

Accordingly, the Supplier shall obtain and transfer to the Purchaser, as soon as practicable, any and all certificates required by the applicable regulations and relating to the Supply.

In addition, the Supplier shall:

- implement all necessary measures for the establishment of its supply systems of the following minerals:
 - tantalum,
 - tin,
 - tungsten,
 - gold,so as to ensure that they originate from conflict free sources, and
- provide, when asked, information regarding said supply systems on a platform determined by the Final Client.

The Supplier shall provide the Purchaser, no later than the date on which the Supply is delivered, all information in the Supplier's possession to enable the Purchaser's or the Final Client's safe use of the Supply.

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

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

If the Supply is to be delivered (either fully or partially) at the Purchaser's sites, the Supplier shall:

- forward in advance a list with the names of the members of its personnel requiring access to the Purchaser's site, the Purchaser reserving the right to refuse any person access to its site for security reasons, in which case the Supplier will nominate substitute(s), who will also be subject to the same right of refusal and substitution. The Supplier will take the necessary measures to ensure that if any persons have to be replaced this will not have a negative impact on the performance and the quality of the Supplies.
- Respect and ensure that Supplier's personnel and any subcontractor shall respect the rules of 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 establishment as employees of an external company, including hygiene and safety rules and general working conditions.

When necessary, the Purchaser will make available to the Supplier space and facilities necessary for the performance of the Order without disrupting the business and operation of the Purchaser. 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 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 leaving the space and facilities in the same condition as prevailed on arrival. The Supplier will retain full and entire ownership and custody of equipment, software and software programs belonging to the Supplier 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 modalities 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 authorized to access the Purchaser's information system, this authorization is strictly limited only to performing 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 their name, the manager of their mission, and the name and contact details of the Supplier's project manager.

At the end of 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 had been given to them,
- where applicable, return to the department concerned the words, codes and keys used to access the hardware and software allocated to it,
- and more generally, return all information, documents and other items which were supplied to it for the performance of the Order.

21 - SUPPLIER'S PERSONNEL

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

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 appointment of personnel that it assigns to the performance of the Order. The Supplier 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 conformity with the Contractual Documents and have all necessary permits and authorisations to enable them to be present and work in the country of the performance of the Order.

The Supplier will indemnify and hold harmless the Purchaser against any loss, damage, liability, claim, costs or expenses it incurs in connection with the Supplier's personnel or the termination of engagement or employment of such personnel howsoever caused.

22 - CONFIDENTIALITY

22.1. Even without the disclosing Party specifying or marking any information as confidential, the receiving Party shall keep confidential all information received from the disclosing Party in connection with any Order, as well as all information the receiving Party might have access to as a result of its presence at the disclosing Party's premises or another Safran Group Company (collectively, the "Confidential Information"). Any Results shall be regarded and treated as Confidential Information belonging to the Purchaser.

22.2. Confidential Information shall remain the disclosing Party's property. The disclosure or deemed disclosure of Confidential Information by the disclosing Party shall in no event grant to or confer upon the receiving Party, expressly or implicitly, any right whatsoever (under a licence or by any other means) with respect to the use or exploitation of Confidential Information.

22.3. The receiving Party shall:

- use Confidential Information only for the performance of 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 on 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 disclosing Party; and
- ensure that the confidentiality obligations incumbent upon the receiving Party under this Clause "Confidentiality" are complied with by its employees and other persons authorized by the disclosing Party to access Confidential Information.

22.4. Notwithstanding the foregoing, the confidentiality obligations shall not apply to any information which:

- is already in, or has already entered the public domain prior to its disclosure or after it, other than through receiving Party breach of these General Purchasing Conditions;
- is already known or available to the receiving Party at the date of receipt of Confidential Information otherwise than by virtue of a breach of duty of confidentiality owed by any third party to any member of the Safran Group of companies, as evidenced by written records of the receiving Party; and/or
- is lawfully obtained by the receiving Party from third parties, with full rights of disclosure, as evidenced by written records of the receiving Party.

22.5. If the receiving Party is required to disclose Confidential Information pursuant to an order of a court or tribunal of competent jurisdiction, the receiving Party shall immediately inform the disclosing Party of the need for such disclosure. In addition, the receiving Party shall cooperate with the disclosing Party for the purposes of limiting the disclosure and use of Confidential Information as far as possible, which may include assisting the disclosing Party to obtain injunctive relief (or similar judicial protection) relating to disclosure of the Confidential Information.

22.6. In the event of termination of the Order for whatever reason, the receiving Party shall in the option of the disclosing Party immediately return to the disclosing Party any and all Confidential Information and/or to destroy any Confidential Information. The receiving Party shall provide a statement certifying the aforementioned complete return or destruction. This return or destruction of Confidential Information shall not release the receiving Party from its confidentiality obligations under this Clause.

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

22.8. The receiving Party shall not use the Order, the Supply, the Confidential Information, and/or any other information for the purpose of direct or indirect advertising without the prior written agreement of the disclosing Party, which the disclosing Party shall have absolute liberty to withhold or grant subject to conditions.

22.9. Unless otherwise provided for in the Order, the confidentiality obligations provided in this Clause shall remain in full force and effect throughout the Order 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 regard to results that are the subject of intellectual and/or industrial property rights, the obligations to maintain confidentiality will remain in force throughout the entire duration of performance of the Order and throughout the entire legal duration of protection relating to such intellectual and/or industrial property right.

22.10. If Confidential Information that is the property of a third party is to be communicated to the receiving Party, any more restrictive confidentiality requirements that may be imposed by this third party will be passed on to and undertaken by the receiving Party and its officers.

22.11. In order to ensure the security of the disclosing Party's Confidential Information and the media containing it, the receiving Party will take all necessary precautions to ensure its protection, in particular by using computer access controls and encryption of the Confidential Information.

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 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

24.1. Each Party shall inform the other Party immediately in writing, no later than five (5) calendar days after the occurrence of a Force Majeure Event that prevents such Party from performing any of its obligations under the Contractual Documents, such notice specifying the nature of the event and the extent to which it will prejudice or delay that Party's performance of its obligations under the Contractual Documents.

24.2. Neither Party shall be deemed to be in breach of the Contractual Documents or otherwise be liable to the other by reason of any delay in performance or non-performance of any of its obligations under the Contractual Documents to the extent that such delay or non-performance is due to the occurrence of a Force Majeure Event of which it has notified the other and the time for performance shall be extended accordingly.

24.3. A Party seeking to rely on the provisions of this Clause 24 shall take every measure possible to limit the prejudicial consequences of the Force Majeure Event.

24.4. For the application of this Clause, only an event meeting simultaneously all the conditions described hereinafter shall be considered a Force Majeure Event:

- a) This event must be unavoidable, unforeseeable and totally independent of the will of the Parties.
- b) Subsequent to this event, the Party invoking the event of force majeure was unable to perform its obligations in accordance with the Contractual Documents.

24.5. The following shall not be considered as a Force Majeure Event: any labour or trade dispute (including but not limited to internal or external strikes, industrial action or lockouts), shortage or delay in raw material or equipment supplies, machine, tooling or equipment breakdown, or failure of any supplier or subcontractor of the Supplier to provide goods or services on time or at all.

25 - TRANSFER - ASSIGNMENT - SUBCONTRACTING

25.1. The Supplier shall not transfer or assign all or part of the Order or its related rights arising under any of the Contractual Documents to any third party without the prior written consent of the Purchaser, which the Purchaser shall have absolute liberty to withhold.

The Purchaser, in its sole and absolute discretion, reserves the right to transfer or assign to any Safran Group Company, all or part of the Order or the related rights and obligations, and the Supplier agree to sign the related novation agreement between the Supplier, the Purchaser and such related Safran Group Company

25.2. Unless the Parties expressly agree otherwise, the Supplier shall not subcontract the Order or any part of it. If the Supplier is authorized to subcontract, the Supplier shall impose its relevant contractual obligations contained in the Contractual Documents on such subcontractors. Notwithstanding the approval of the Purchaser to the Supplier's subcontracting of the performance of the Order, or the choice of the subcontractor, 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 an Order.

26.2. Each Party undertakes to inform the other Party of the export control classification concerning the elements of the Supply, and undertakes to notify it of any actual or anticipated changes to this classification no later than fifteen (15) days after becoming aware of such matter.

26.3. In the event that the export or re-export of all or part of the Supply is subject to obtaining an export licence, the Supplier shall apply, at no cost to the Purchaser, for any licence or governmental authorization necessary to enable the Purchaser to use the Supply and to deliver such licences or governmental authorizations to the Final Client or to any other end user specified by the Purchaser to the Supplier. The Supplier undertakes to immediately notify the Purchaser of

the issuance of the export licence by the competent government authorities or of the existence of a dispensation, and to provide it with a copy of the licence 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. An Acceptance Report may not be issued, and may subsequently be declared void, if the Supplier does not properly procure the issue of all required licences.

26.4. The Supplier shall 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 that is not authorized to access such information.

26.5. Should any applicable export licence be withdrawn, not renewed or invalidated for any reason whatsoever, 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. The Supplier shall indemnify and keep indemnified the Purchaser and any Final Client on a full indemnity basis from and against any and all losses, costs, charges and claims sustained by or made of it or them by virtue of any failure by the Supplier to comply with any of its obligations arising under this Clause 26, including, without prejudice to the generality of the foregoing, 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.

27 - TERMINATION

27.1. Either Party shall be entitled to terminate the Order by sending notice via certified mail return receipt requested in the following cases:

- a. the other Party fails to perform any of its contractual obligations and does not (if such failure is capable of remedy) remedy such breach within thirty (30) days after receipt of formal notice from the non-defaulting party to remedy such breach;
- b. the other Party suspends, or threatens to suspend, payment of its debts or is unable to pay its debts as they fall due or admits inability to pay its debts or is deemed unable to pay its debts within the meaning of section 123 of the Insolvency Act 1986;
- c. the other Party commences negotiations with all or any class of its creditors with a view to rescheduling any of its debts, or makes a proposal for or enters into any compromise or arrangement with its creditors other than for the sole purpose of a scheme for a solvent amalgamation of that other Party with one or more other companies or the solvent reconstruction of that other Party;
- d. a petition is filed, a notice is given, a resolution is passed, or an order is made, for or in connection with the winding up of that other Party other than for the sole purpose of a scheme for a solvent amalgamation of that other Party with one or more other companies, or the solvent reconstruction of that other Party;
- e. a creditor or encumbrancer of the other Party attaches or takes possession of, or a distress, execution, sequestration or other such process is levied or enforced on or sued against, the whole or any part of its assets and such attachment or process is not discharged within fourteen (14) days;

- f. an application is made to court, or an order is made, for the appointment of an administrator or if a notice of intention to appoint an administrator is given or if an administrator is appointed over the other Party;
- g. a floating charge holder over the assets of that other Party has become entitled to appoint or has appointed an administrative receiver;
- h. a person becomes entitled to appoint a receiver over the assets of the other Party or a receiver is appointed over the assets of the other Party;
- i. any event occurs, or proceeding is taken, with respect to the other Party in any jurisdiction to which it is subject that has an effect equivalent or similar to any of the events mentioned in paragraphs (b) to (h) inclusive above;
- j. the other Party ceases, or threatens to cease, to carry on all or substantially the whole of its business; or
- k. there is a change of control of the other Party (within the meaning of section 1124 of the Corporation Tax Act 2010).
- l. When there is a force majeure event the duration of which exceeds one month from the date on which one of the Parties informs the other Party thereof.

27.2. In addition, the Purchaser may, in its sole and absolute discretion, terminate the Order by sending notice via certified mail return receipt requested in the following cases:

- 1. With immediate effect when the Supplier fails to comply with any of its obligations set forth in Clauses 18 (“Compliance with Labour Regulations”), 26 (“Export control”) and/or 28 (“Ethics”) 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;
- 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 a stake in the Supplier’s capital; and
- 3. Subject to a thirty (30) days’ written notice, in the event of a major change in the industrial organization of the Supplier that could jeopardize (in the Purchaser’s sole and absolute discretion) the proper performance of the Order such as transfer of production.

27.3. In the event of the Purchaser terminates the Order, the Purchaser reserves the right to perform or have a third party perform all or part of the Order and the costs shall be borne by the Supplier. In this respect, the Supplier undertakes, at the request of the Purchaser, to provide to the Purchaser or to any third party designated by the Purchaser all the elements necessary to perform the Supply.

27.4. 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 (or Bailed) Property and any Documentation then in its possession.

27.5. In any event of termination, 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 the obligations set forth in the Contractual Documents provided always that if the Supplier is the sole source for the Purchaser, the Purchaser may postpone the effective date of termination until the Purchaser has fully implemented the procurement of the subject matter of the Order with an alternative supplier .

28 - ETHICS

The Supplier represents and warrants to the Purchaser that:

- It has not infringed any anti-corruption laws or regulations,
- It has not been subject to any civil or criminal sanctions for infringement of anti-corruption laws or regulations and that no investigation or proceedings which could lead to such sanctions have been brought against it,
- To the best of its knowledge, no executive or manager of the Supplier has been subject to any civil or criminal sanctions for infringement of anti-corruption laws or regulations and that no investigation or proceedings which could lead to such sanctions have been brought against such persons.
- It complies and shall comply with the legal provisions against corruption in accordance with the OECD Convention of 1997 and the United Nations Convention Against Corruption of 2003 (UNCAC),
- It complies and shall continue to comply with the Bribery Act 2010, it shall not engage in any activity, practice or conduct which would constitute an offence under sections 1, 2 or 6 of the Bribery Act 2010 if such activity, practice or conduct had been carried out in the UK and it has and shall maintain its own policies and procedures, including but not limited to adequate procedures under the Bribery Act 2010 and will enforce them where appropriate,
- It has not granted and shall not grant, directly or indirectly, any gift, present, payment, remuneration or benefit whatsoever (trip, etc.) to anyone with a view to or in exchange for the conclusion of an Order.
- It complies with all applicable anti-slavery and human trafficking laws, statutes, regulations and codes from time to time in force including but not limited to the Modern Slavery Act 2015.

The Supplier shall notify the Purchaser's Purchasing Department of any gift, present, payment, remuneration or benefit whatsoever that it might grant either directly or indirectly to any employee, officer or representative of the Purchaser or of any Safran Group Company or to anyone that might influence their decision within the framework of the performance of an Order.

In the event of failure to comply with this Clause, the Purchaser shall automatically have the right to terminate the Orders in progress with immediate effect and without compensation, and without prejudice to any remedies the Purchaser may take against the Supplier.

29 - MISCELLANEOUS

29.1. The particularly sensitive nature of the Purchaser's business activities may result in specific requirements regarding security. As a result, the Supplier may be required to sign, before the start of the performance of the Order, either a confidentiality agreement, or agreements relating to the custody of classified and secret information.

29.2. Both Parties undertake to comply with the national and European regulations regarding data protection and in particular to only use personal data for the purpose of performing the Services, 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 Union, to delete said data at the expiry of the retention period agreed between the Parties and to reply to any request from data subjects. Furthermore, each Party undertakes to give notification to the other Party in case of any security breach that may have consequences on the data processing.

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 any such 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 contractor. 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. No one other than a Party to the Contractual Documents shall have any right to enforce any of their terms.

30 - APPLICABLE LAW - JURISDICTION

30.1. By express agreement between the Parties, the Contractual Documents, and all claims or causes of action (whether at law, in contract or in tort) that may be based upon, arise out of, or relate to the Contractual Documents or the negotiation, execution or performance thereof, shall be governed by and construed in accordance with the laws of the State of England & Wales excluding that body of law known as conflicts of laws. The parties specifically disclaim the Vienna Convention on the International Sale of Goods.

30.2. If any dispute arises in connection with this agreement, the Parties agree to enter into mediation in good faith to settle such a dispute.

30.3. Any and all disputes arising out of or in connection with these General Purchasing Conditions and/or any Orders incorporating them or their subject matter or formation (including non-contractual disputes or claims) shall be exclusively and finally determined and settled by arbitration under the Rules of Arbitration of the International Chamber of Commerce. The number of arbitrators shall be one (1) or three (3) and the arbitrators shall be appointed in accordance with the said rules of arbitration. The place and seat of arbitration and hearings shall be London, England. The arbitration award shall be final and binding by any Party in any court of competent jurisdiction, and shall waive any claim whatsoever against it. The arbitration shall be confidential.

30.4. In no circumstances, shall this prevent a Party from obtaining injunctive relief before court or tribunal of competent jurisdiction.

NAME OF THE SUPPLIER:

NAME OF THE SIGNATORY:

TITLE:

DATE:

SIGNATURE:

SUPPLIER STAMP:

APPENDIX 1 - FIRST DEMAND GUARANTEE

As part of order [N^o] (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

[NAME OF REGISTERED ENGLISH BANK]

[FORM]

With a capital of [TO BE COMPLETED] having its registered office at [TO BE COMPLETED], registered with the Federal Deposit Insurance Corporation 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]

To pay:

[PURCHASER]

Hereinafter referred to as the "Beneficiary",

On first demand by the Supplier and immediately any amount up to [TO BE COMPLETED] *in numbers and in letters*) United States Dollars, without being able to claim any exception or objection in particular with respect to any contestation or claim by the [SUPPLIER] in relation to the Order.

This guarantee is independent of any contract between the [SUPPLIER] and the Beneficiary. Consequently, the modification or cessation of the legal links or relations which may exist between the [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 the [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 the [SUPPLIER], and notwithstanding any order to the contrary by the [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 the [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 the (Supplier) has not respected its obligations towards the Beneficiary, and without any intervention by the [SUPPLIER] or any prior procedure or action against the [SUPPLIER] being necessary.

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

This guarantee and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims) shall be governed by, and construed in accordance with, the law of England and Wales. The courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim that arises out of or in connection with this guarantee or its subject matter or formation (including non-contractual disputes or claims).

Executed in, on.....

Title:
[BANK]

APPENDIX 2

This Appendix establishes the conditions under which the Purchaser and the Supplier will carry out an electronic data interchange (EDI) via networks, and within the framework of those certain Safran Group General Purchasing Conditions (capitalized terms used but not defined herein shall have the meanings ascribed to them in the Safran Group General Purchasing Conditions).

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 via paper unless there is a specific, written, agreement between the Parties to include such an exchange (independent from 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.

On receipt of information transmitted by EDI by the recipient's computer, the recipient issues an Acknowledgement of Receipt to the issuer. The recipient is then reputed 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 such a problem may be sent by any means.

Under no circumstances is the recipient authorized to modify the message received. Any modification must be made by the issuing Party with specific reference to the modification made. In order for an Acknowledgment of Receipt to be properly issued, the underlying EDI Message must be issued by an authorized issuer with an agreed upon electronic signature.

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 and can be printed.

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 in paper format.

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 agree that, in the event of a dispute, information exchanged by EDI may be produced before the courts or arbitration panels as proof of the facts that they contain; provided that either Party may contest the validity of the underlying facts with other proof or evidence.

F) Security of EDI Messages

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

The security procedures and measures include verification of the origin and integrity of the EDI Messages. All information exchanged by EDI must identify the sender and the recipient. As such, each of the Parties shall submit to the other party a list of the persons authorized to send information by EDI (including providing corresponding electronic signatures), and update this list as necessary.

If any security procedures and measures 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 shall 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 authorized to receive it. They must also ensure that it is not used for any purpose other than the execution of the Orders.