

**GENERAL PURCHASING CONDITIONS
AERONAUTICAL AND NON AERONAUTICAL SUPPLIES**

SAFRAN GROUP COMPANIES IN INDIA

SAFRAN GROUP

GENERAL PURCHASING CONDITIONS

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THE PURPOSE OF THESE GENERAL PURCHASING CONDITIONS IS TO DEFINE THE EXPECTATIONS OF THE SAFRAN GROUP COMPANIES REGARDING THE PURCHASING CONDITIONS OF AERONAUTICAL AND NON AERONAUTICAL PRODUCTS AND/OR SERVICES WITHIN THE FRAMEWORK OF THE NEGOTIATIONS WITH THE SUPPLIER. THESE CONDITIONS ARE SUGGESTED IN ORDER TO SET OUT THE TERMS AND CONDITIONS WHICH WILL APPLY TO THE ORDERS ISSUED BY THE SAFRAN GROUP COMPANIES. THEY CONSTITUTE A LEGALLY BINDING AGREEMENT WHEN ACCEPTED BY THE PARTIES.

THE SUPPLIER ACKNOWLEDGES THAT THESE GENERAL PURCHASING CONDITIONS HAVE BEEN EXECUTED VOLUNTARILY AND WITHOUT ANY DURESS OR UNDUE INFLUENCE ON THE PART OR ON BEHALF OF THE SAFRAN GROUP COMPANIES. THE SUPPLIER ACKNOWLEDGES THAT IT HAS (A) CAREFULLY READ AND GONE THROUGH; (B) BEEN INTRINSICALLY INVOLVED IN THE NEGOTIATIONS AND FINALISATION OF; (C) UNDERSTOOD THE TERMS, OBLIGATIONS AND CONSEQUENCES OF; AND (D) HAS OBTAINED SPECIALIST ADVICE FROM LEGAL, TECHNICAL AND COMMERCIAL EXPERTS REGARDING, THESE GENERAL PURCHASING CONDITIONS.

1 - DEFINITIONS

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

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

Declaration of conformity: Document given by the Supplier, under its own responsibility, declaring the conformity of the Supply with respect to the Specifications, all applicable standards and other regulations in force.

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

DPP: The Defence Procurement Procedure of India issued by Ministry of Defence, Government of India and its amendments, and any offset, industrial cooperation and « Make in India » rules applicable.

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

Final Clients: Any and all, direct or indirect, clients of the Purchaser including but not limited to, (i) the purchaser of engines or equipment and/or of services incorporating the Supply, or (ii) the company maintaining, repairing or overhauling the engine or equipment; or (iii) the ultimate client utilising the equipment which incorporates the Supply, including but not limited to the Ministry of Defence, Government of India.

General Purchasing Conditions: These general purchasing conditions.

Indian Offset, Contractual and Regulatory Requirements: Any and all requirements that may be, directly or indirectly, applicable in respect of the Order or to the Parties including in terms of any

request for proposal, Inter-Governmental Agreements signed between India and France, Offset Obligations, contracts executed between the Purchaser and the Final Clients or inter-se between the Final Clients (such requirements being intimated from time to time by the Purchaser in respect of the foregoing) or any other relevant directive, guideline, policy, clearance, requirement or other governmental restriction or any similar form of decision of, or determination by, or any interpretation having the force of law of any of the foregoing by any Official Authorities having jurisdiction over the matter in question including in terms of Offset Obligations, industrial cooperation and the Make in India initiative, whether in effect as of the date of these General Purchasing Conditions or at any time thereafter.

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

Offset Obligations: These obligations refer to the offset requirements enlisted under the applicable DPP or request for proposal or contracts executed with the Final Clients or any specific guidelines issued in this regard, as modified from time to time.

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

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

Purchaser: SAFRAN Group Company issuing the Order.

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

SAFRAN Group Company(ies): SAFRAN and/or any legal entity in which SAFRAN directly or indirectly owns equal to or more than forty-nine percent (49%) of the capital stock or where Safran has direct or indirect control over the board of the legal entity.

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

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

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

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

The headings in these General Purchasing Conditions are for convenience only and are not to be used in construing the meaning of Articles herein.

2 - CONTRACTUAL DOCUMENTS

2.1 The Orders issued by the Purchaser will be governed by the provisions of these General Purchasing Conditions provided that they have been accepted by the Parties.

The Supplies shall be performed in accordance with the Specifications provided in the Order or in the amendment signed by both Parties.

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

2.2. Should one of the contractual documents state a participation of the Supply in Indian public procurement contracts, the Supplier, as a subcontractor to such contract, shall comply with the applicable provisions of the Indian public contracts and shall pass these relevant obligations on any of its subcontractors. In the case of participation in foreign public organization procurement contracts, the Supplier agrees to abide by the applicable rules and regulations.

Given the Offset Obligations of the Purchaser and/or the Final Clients, the Supplier agrees to abide by the applicable rules and regulations including in terms of the Indian Offset, Regulatory and Contractual Requirements.

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

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

2.4 Unless expressly provided otherwise, the supply of the Products under these General Purchasing Conditions shall be governed by the following contractual documents, in decreasing order of priority:

- the particular provisions of the Orders duly accepted by the Supplier,
- any implementation agreement and its appendices, if any
- any general terms of agreement with its appendices, if any
- these General Purchase Conditions,
- the Specification of the Products, at the latest applicable version issued to the Supplier,
- [the requirements of SAFRAN procedure GRP-0087 (SAFE), at the latest applicable version issued to the Supplier with respect to the compliance matrix (GRF-033) which has been completed by the Supplier and validated by the Purchaser,
- the quality delegation agreement, if any,
- the Purchaser's website access agreements, if any.

All of the above mentioned contractual documents represent the entire agreement and common intention of the Parties. The Supplier has declared having knowledge of all of the above mentioned contractual documents.

In the event of a contradiction between two documents of different priority, the higher priority document shall prevail. In the event of a contradiction between a document and its appendices, the document shall prevail over its appendices. The appendices of a given document shall have equal priority among themselves.

The terms and conditions of the documents to the latest issue shall take precedence over the terms and conditions set forth in the previous amendments and in the documents to the previous issue.

3 - MODIFICATIONS

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

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

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

3.3 The Supplier acknowledges that the nature of the business and Order is such that changes may be required to be made from time to time and the Supplier will appropriately manage its operations and resources including in respect of research and development, procurement of raw materials, inventory management and workforce deployment.

4 - ORDERING PROCEDURE

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

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

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

When authorizations, whatever their nature, are required or any compliance requirements need to be followed in the framework of an Order, the Supplier, before the completion of the Order, shall ensure that all the necessary authorizations have been obtained and compliance requirements have been fulfilled such that the Purchaser is free from any actions or proceedings in this respect.

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

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

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

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

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

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

5 - DELIVERY

5.1 Any delivery of Supply shall be accompanied by the 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;
- Reference of the Supply;
- Description of the Supply as specified in the Order;
- Quantity delivered and, where applicable, the serial number and the individual number of products/parts;
- If necessary, the number of packages;
- Unit of purchase;
- Number of the possible dispensation(s);
- If necessary, a customs document and a transport document in compliance with applicable regulations, as well as any other documents required for customs clearance operations within the framework of imports.

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

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

5.4 Unless otherwise provided in the Order, the delivery of the Supply shall be DAP “address of the Purchaser” (Incoterms 2010 - International Chamber of Commerce). Notwithstanding the foregoing, when the Supply is subject to an acceptance procedure, the transfer of the risks of the Supply takes place on the signature date of the Acceptance report by the Supplier and the Purchaser.

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

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

5.6 The Supplier shall ensure that appropriate measures are taken in order to avoid any shortages of deliveries. In this regard, the Supplier shall make available safety stocks or propose any other means for the consideration of the Purchaser.

5.7 The Supplier agrees and acknowledges that the Purchaser and/or the Final Clients may carry out periodic audits in order to verify the existence and efficiency of these measures.

5.8 The Supplier shall, upon receiving a two (2) days prior notice from the Purchaser, permit the Purchaser and/or the Final Clients (or any of their agents or authorised representatives) to review its books and other information. Provided that in case of a regulatory or administrative investigation or proceeding, such documents and information shall be provided forthwith by the Supplier.

6 - DEADLINES

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

6.2 The Supplier shall promptly inform in writing to the Purchaser of any foreseeable delay in respect to the contractual deadlines, and of any measures undertaken to remedy such delay. Except for force majeure events, the Supplier shall bear any additional costs, expenses and losses caused to the Purchaser and/or the Final Clients resulting from this delay.

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

- recover liquidated damages for an amount corresponding to 20% of the total amount of the Order which the Supplier acknowledges is a genuine pre-estimate of damages; and/or
- terminate the Order under the terms and conditions referred to in Article "Termination" below, without any indemnity, payments, reimbursements etc. being due to the Supplier.

The aforementioned do not discharge the Supplier from its obligations and cannot be considered as a final, lump-sum compensation for the damage incurred by the Purchaser. The Purchaser shall notify the amount of liquidated damages by a written document. The Supplier agrees that the Purchaser may deduct, after a period of fifteen (15) calendar days following the notification, the liquidated

damages from the amount due to the Supplier in relation to the late Order, if within this time period the Supplier has not disputed, in writing, the facts of the grievance or has not already paid to the Purchaser the amount claimed. In the event the amounts owed to the Supplier are lower than the amount of damages to be paid in terms of the aforementioned, the difference shall be paid by the Supplier within the deadline set by the Parties as for the invoice payment, such deadline starting from the notification by the Purchaser of the amount of damages.

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

7 - ACCEPTANCE

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

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

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

7.3 The issuing of an Acceptance report or any other acceptance (whether actual or deemed) shall in no event be interpreted as a waiver of any sort, or affect the extent of the warranty or other commitments made by the Supplier hereunder or any legal warranty. Given the nature of the Products, an examination or verification during the Acceptance of the Product or any time thereafter will not be sufficient to identify any defects and the Supplier agrees that it shall, at all times, be held responsible for any defects arising (apparent or latent or otherwise) in the Products delivered to the Purchaser.

7.4 The Purchaser and/or the Final Clients may participate, carry out or validate the acceptance procedure. In this case, the acceptance pronounced by the Purchaser only becomes final following the acceptance by the Purchaser and/or the Final Clients.

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

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

- To refuse it and return it to the Supplier, at the latter's own expense and risk, within a period of fifteen (15) calendar days following the notification of non-conformity by the Purchaser.

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

8 - TRANSFER OF OWNERSHIP

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

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

9 - ENTRUSTED PROPERTY

Entrusted Property is to be reserved exclusively to the performance of the Purchaser's Orders and is deemed to be lent in accordance with the Section 148 and other relevant provisions of the Indian Contract Act, 1872 and shall be returned to the Purchaser as agreed hereinafter.

Entrusted Property remains the property of the Purchaser, or of the person who entrusted it to the Purchaser or of the Final Clients. It shall be identified as such and stored in such a way as to avoid any confusion with the property of the Supplier or any other third party. Any modification or destruction of the Entrusted Property shall be subject to prior written agreement by the Purchaser. The Supplier shall not have any right or interest in the Entrusted Property, which shall only be available to the Supplier under a limited license to use and to return the Entrusted Property upon request by the Purchaser for termination of these General Purchasing Conditions or for any reason whatsoever.

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

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

The Supplier shall monitor the Entrusted Property and take all adequate measures for protection against theft or damage of any sort. In the event of any direct or indirect interference by anyone to the Entrusted Property, the Supplier shall promptly inform the Purchaser in writing, take all the necessary measures to defend the rights of the owner of the Entrusted Property and ensure that the interference ceases. Should the Supplier have a lien granted by law on the Entrusted Property, it shall expressly surrender such lien of the Entrusted Property. The Supplier shall not use and shall not replicate or reproduce the Entrusted Property or part thereof for any other purpose or business or for supply of the products to any other party apart from the Purchaser.

10 - PRICE - INVOICING - PAYMENT TERMS

10.1 Unless otherwise agreed by the Parties in a signed document, the prices stated in the Order are firm and non-revisable, and include all taxes, duties, cesses, including the goods and services tax or any other similar tax, as the case may be, which shall be paid by the Supplier according to the applicable laws in India except VAT. These prices include all the costs and expenses incurred by the Supplier for the performance of the Supply, including if applicable, the right to use the Supplier's Background necessary to use the Supply and the assignment of possible Results and related economic rights as well as expenses to travel to the Purchaser's sites.

10.2 The Parties agree to accept the risks and outcomes resulting from any change of circumstances occurring during the performance of the Order.

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

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

- The Order reference as indicated on such Order;
- A detailed description of the Supply as described in the Order;
- Details of the bank account into which payment must be made;
- Details (name, phone number, email address) of the representative to contact in case of billing disputes;
- The date and the number of the delivery slip, or the acceptance report or the works report, or any other event leading to an invoice as provided in the Order.

The original invoice must be sent upon being issued to the address indicated in the Order.

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

If the Purchaser and the Supplier agree to have the invoices sent in a dematerialized format, then the Parties will enter into an agreement on the exchange of electronical data.

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

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

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

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

10.6 The Supplier acknowledge that the transactions contemplated herein constitute sufficient and adequate consideration under these General Purchasing Conditions.

11 - WARRANTY

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

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

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

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

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

11.5 The Supplier understands that the performance of the Order and purpose of the Supply is for integration in an engine/equipment and warrants that the Products are fit for this purpose.

The Supplier agrees and acknowledges that all the warranties mentioned in this Article shall extend to the Purchaser and/or the Final Clients.

12- COVENANTS AND UNDERTAKINGS

12.1 The Supplier covenants and undertakes to intimate, on or sufficiently prior to the handing over of the Products in accordance with these General Purchasing Conditions, the Purchaser of the exact manner in which the Products should be handled, stored, installed, tested, inspected, maintained and operated and that the Purchaser will not be liable for anything which is not expressly mentioned in such instructions provided by the Supplier.

12.2 The Supplier will ensure that any sub-contractor appointed by the Supplier is under the same obligations in terms of these General Purchasing Conditions and any other agreement executed between the Purchaser and the Supplier including regarding conditions, warranties, duty of care, etc. However, overall responsibility and liability for the full discharge of obligations contained in these

General Purchasing Conditions and any other agreement executed between the Purchaser and the Supplier shall continue to remain with the Supplier who shall also be liable for the performance by its sub-contractors.

12.3 The Supplier covenants that failure to provide the Products as per the specifications, exact description, quality and quantity and in the exact manner required by Purchaser in prescribed deadlines will result in failure to perform the Order on behalf of the Supplier and the Purchaser shall be entitled to claim damages for the loss or the injury suffered by the Purchaser and/or the Final Clients.

12.4 The Supplier shall, and shall ensure that its sub-contractors, owe a duty of care to the Purchaser, and/or the Final Clients for the Products due to their sensitive purpose and critical requirement for performance of the Order in the specific manner contained in these General Purchasing Conditions.

12.5 The Purchaser relies on the skill/judgement/expertise of the Supplier who has represented and warranted after receiving all necessary information that the Products are fit for the specific use of the Purchaser.

12.6 The Supplier covenants to always be in compliance with the Indian Offset, Regulatory and Contractual Requirements as well as to ensure that the Purchaser and/or the Final Clients meet their Offset Obligations.

The Supplier, at its own cost, shall provide all necessary proof of compliance with offset requirements in terms of the DPP (including regarding offset multipliers, if applicable) which may include necessary certifications and opinions from technical experts, auditors and legal experts. The Supplier acknowledges that this requirement is fundamental to the Purchaser placing the Orders and breach of this obligation by the Supplier will cause irreparable harm and serious injury and losses to the Purchaser.

12.7 The Supplier shall ensure that “The Security Manual for Licensed Defence Industries” for private companies (involved in the production of defence products), issued by the Department of Defence Production as amended from time to time and the additional safeguards as may be prescribed by Government of India (including *inter alia* by the Ministry of Defence, Intelligence Bureau, Ministry of Home Affairs, etc.) shall be fully adhered to, if applicable.

12.8 The Supplier complies and shall comply with the applicable export control laws of India.

The Supplier agrees and confirms to give an undertaking in respect of compliance with the covenants in this Article 12 as and when required by the Purchaser.

13- MAINTENANCE

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

- Obtain the relevant approval of the Official Authorities;
- Offer the maintenance services as long as the engine or equipment incorporating the Supply remains in operation, and in consequence to maintain its complete production, so as to be able to provide the necessary Products and spare parts, in accordance with specific conditions negotiated with the Purchaser. In this case, the Supplier shall hold available to the Purchaser a complete nomenclature of prices of parts and different subsets of the Products covered by the Order. The amount of the consolidated price of each spare part shall not exceed the amount of the price of a complete Product, less the

cost of assembly operations and partial and final tests, as a serial production of complete Products is ensured;

- Provide any necessary technical assistance to the Purchaser and/or the Final Clients during the general overhaul or repair of the Products;
- Ensure a rotation of parts returned to it for overhaul or repair in the timeframes negotiated with the Purchaser; and
- Ensure up-gradation/life extension services as well as quality assurance and training in respect of the Products, incorporated in the equipment supplied, to the Purchaser and/or the Final Clients.

14 - STOCK

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

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

15 - SPECIALIZED EQUIPMENT

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

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

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

16 - CONTINUITY

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

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

17 - INTELLECTUAL PROPERTY

17.1 Background

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

17.1.2 Only in cases where the Purchaser's Background is necessary to perform the Order, the Purchaser grants to the Supplier at its own discretion, for the duration of the Order and for the sole purpose of its performance, a personal, non-exclusive and free of charge revocable limited license to use this Background. The Supplier undertakes not to use, copy or reproduce, whether entirely or partially, this Background, for any purposes other than the performance of the Order. This limited right to use the Purchaser's Background may only be extended to the Supplier's subcontractors, at the request of the Supplier, by the Purchaser for performing part of the Order, subject to Purchaser's prior written consent and such sub-contractor subsequently being bound by the obligations contained herein. The Supplier undertakes not to modify in any way the Background granted by the Purchaser for the performance of the Order, without the Purchaser's prior written consent. In any case, the Supplier undertakes not to acquire or use any intellectual property rights related to, deriving from or based on the Purchaser's Background.

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

If a software, including but not limited to source code, shareware, firmware, middleware, courseware, open source code, operating system and specifications, system data and material thereto which is part of the Supplier's Background and is necessary to use and/or to operate the Results, the Supplier undertakes to deposit such software's source codes to a recognized software escrow company under a registration number which shall be communicated to the Purchaser and subject to prior written approval of the Purchaser. If the Supplier ceases to operate the software, or if it ceases its activity and such activity is not taken over by a third party, the source codes of this software will be made available to the Purchaser under reasonable terms and conditions and the Purchaser will be vested with the right to use them for the purpose of using and/or operating the Results.

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

The financial compensation for these rights granted to the Purchaser is inclusive in the Order's price and the Purchaser shall not be required to pay any further amounts to such third party as consideration for granting rights in respect of such Background.

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

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

If the Results are a software, the Supplier undertakes to make available to the Purchaser the original source codes, specifications, system data and material thereto of such software developed with the framework of the Order.

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

If the Results are a creation or an invention that can be protected by an intellectual property right, the Supplier undertakes to grant the Purchaser – and consequently to make its employees, as well as any third parties it could rely on, grant to the Purchaser – all necessary powers to file under the Purchaser's name, in India or in any other country including but not limited to any patent, copyright, trademark or any intellectual property right whatsoever in relation with such creation or invention. In such case, the Purchaser will indicate the name of the inventors and the Supplier will bear, at no additional cost for the Purchaser, the expenses of any additional payment to its employees and/or to any concerned third parties for such creation and invention.

The Supplier undertakes not to use the Results except if the Purchaser gave a prior written consent and such use is made in accordance with the terms and conditions to be set by an agreement between the Parties.

17.3 Warranties

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

In addition, the Supplier warrants that it holds all the rights transferred to the Purchaser in application of Article 17.1.3 of these General Purchasing Conditions.

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

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

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

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

17.4 The Supplier shall forthwith communicate to the Purchaser and irrevocably agrees, undertakes and confirms to assign and transfer to the Purchaser exclusive benefit of all inventions, discoveries and improvements (including the Results and any intellectual property rights in, or related to, the Results) which the Supplier may make or discover during the performance of the Order and supply of the Products and shall give full information as to the exact mode of working and usage of the same. The Supplier shall also provide any such explanations and instructions to the Purchaser as may be necessary to enable them to work the aforesaid effectively and shall, at the expense of the Purchaser, furnish it with all necessary plans, drawings and models. The Supplier shall execute necessary documents for the purpose of assigning and transferring irrevocable rights and benefit of all inventions, discoveries and improvements (including the Results and any intellectual property rights in, or related to, the Results) to the Purchaser.

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

18 - LIABILITY - INSURANCE

18.1 The Supplier is liable for any damage or loss sustained by the Purchaser or any third party as a result of non-performance or improper performance of the Order. Consequently, the Supplier shall indemnify the Purchaser for any loss or damage sustained by the latter, including the cost of repair and/or replacement that would result from any damage or loss to the Entrusted Property. Any assistance which 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.

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

In particular, the Supplier shall take out a civil general and professional liability insurance policy covering, for the duration of the Order globally:

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

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

The Supplier shall provide proof, at the Purchaser's first request, of the validity of the insurance policies it has taken out by producing certificates issued by its insurers, indicating the type and amount

of guarantees granted. The Supplier shall annually produce certificates confirming the renewal of its policies for 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.

It is further stated that when the Entrusted Property lent by the Purchaser to the Supplier is located at the Supplier's premises, the latter undertakes to take out on behalf of the Purchaser an insurance policy such as a "comprehensive industrial risk insurance policy" or a "comprehensive risk on damage to goods and profit loss insurance policy" covering any damage to the Entrusted Property by the latter, whatever the cause of damage. The Purchaser will be named as an additional insured party in this policy that will come into effect at the first euro. Any insurance of the Purchaser shall only be a complement to the guarantee of the insurance policy taken out by the Supplier.

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

19 - COMPLIANCE WITH LABOR REGULATIONS

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

The Supplier undertakes to comply *inter alia* with the following Indian labor legislations, namely, the Factories Act, 1948, the state specific Shops and Establishments Act, Contract Labour (Regulation and Abolition) Act, 1970, Employees' Provident Funds and Miscellaneous Provisions Act, 1952, Employees' State Insurance Act, 1948, Maternity Benefit Act, 1961, Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, Payment of Gratuity Act, 1972, Minimum Wages Act, 1948, Payment of Wages Act, 1936, Payment of Bonus Act, 1965, Equal Remuneration Act, 1976, Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979 etc.

20 - COMPLIANCE OF THE SUPPLY WITH REGULATIONS AND STANDARDS

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

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

In addition, the Supplier shall:

- implement all necessary measures for the implementation of its supply systems relating to the following minerals:

- tantalum,
- tin,
- tungsten,
- gold,

so as to ensure that such minerals originate from conflict free sources, and

- provide, upon request, information regarding said supply systems on a platform determined by the Final Clients.

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

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

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

The Supplier declares that it fulfils all the necessary requirements to participate in procurement contracts, and agrees to abide by the legal constraints imposed by such contracts, including related to the conditions of protecting the secret and information concerning the defense and State security, and in respect of any tax obligation.

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

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

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

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

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

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

The Purchaser may also:

- provide the IT services strictly necessary for performance of the Order in accordance with procedures and terms and conditions that it will define on a case by case basis in order to preserve the security of its IT systems;

- provide access to its internal messaging system and to a directory for the exchange of data with the Supplier, in accordance with the conditions defined in Appendix 2.

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

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

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

- return to the Purchaser's security manager the badges and other means of access that have been given to the latter,

- where applicable, return to the department concerned the words, codes and keys used to access the hardware and software allocated to the latter,

- and more generally, return all information, documents and other items which have been supplied to the latter for the performance of the Order.

22- SUPPLIER'S PERSONNEL

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

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

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

If required, the Supplier shall also appoint necessary personnel who shall be the official contact persons for the Purchaser and/or the Final Clients.

23 - CONFIDENTIALITY

23.1 The Supplier shall keep confidential all information received from the Purchaser in connection with the Order, as well as all information the Supplier might have access to as a result of its presence at the Purchaser's premises or another SAFRAN Group Company, without the Purchaser having to specify or mark such information as confidential ("Confidential Information"). The Results shall be regarded and treated as Confidential Information belonging to the Purchaser.

23.2 Confidential Information shall remain the property of the Purchaser, subject to the rights of third parties. The disclosure of Confidential Information by the Purchaser shall in no event be interpreted as granting or conferring upon the Supplier, expressly or implicitly, any right whatsoever (under a licence or by any other means) in respect to this Confidential Information.

23.3 The Supplier undertakes to:

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

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

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

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

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

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

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

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

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

23.11 In order to ensure the security of the Purchaser's Confidential Information and the media containing it, the Supplier will take all necessary measures to ensure its protection, in particular by using computer access controls and encryption of the Confidential Information.

If required by the level of confidentiality, the Purchaser will notify the Supplier that it must consider the Confidential Information as being the subject of "Confidential Industry".

23.12 The Purchaser undertakes to respect the same obligations of confidentiality regarding the information issued by the Supplier and expressly marked as confidential. It is specified that the information to which the Purchaser could have access during visits of the Supplier's premises are considered confidential. These confidentiality obligations are subject to the exceptions of Article 23.4 abovementioned (the word "Supplier" being replaced by "Purchaser" in this Article).

24 - INDEMNITY

24.1 The Supplier (**Indemnifying Party**) agrees to defend, indemnify and hold harmless, the Purchaser, its customers and their affiliates, directors, employees, agents, authorised representatives (each an **Indemnified Party** and together **Indemnified Parties**) to the fullest extent permitted by applicable law from and against all claims, losses (including consequential losses), taxes, expenses, costs, liabilities, damages or deficiencies including reasonable legal fees and expenses (collectively, **Losses**), suffered, incurred or paid, directly or indirectly, by the Indemnified Parties, as a result of, in connection with or arising out of (a) breach or non-performance of its obligations under these General Purchasing Conditions or Indian Offset, Regulatory and Contractual Requirements, and applicable laws, rules, regulations, guidelines etc.; (b) any breach of any warranty of these General Purchasing Conditions or any other document executed between the Supplier and the Purchaser for the Supply including necessary documents for compliance with the Indian Offset, Regulatory and Contractual Requirements; and (c) for any third party claims arising on the Purchaser.

24.2 In the event that any taxes are or become payable with respect to any payments made by the Indemnifying Party to an Indemnified Party pursuant to this Article 24, then such indemnity payments shall be grossed up such that the Indemnified Party receives no less than the full compensation amount payable to it by the Indemnifying Party on account of claims envisaged in this Article 24.

24.3 The Supplier will obtain all necessary approvals including Governmental approvals required to process any and all payments to be made to the Purchaser including under this Article 24.

24.4 To the extent any such approvals are required to be obtained by the Supplier and are not obtained within a reasonable period of an application in this regard having been made, then the Supplier shall make the necessary payments in any other manner possible to give effect to the commercial intent contained in this Article 24.

25 – OFFSET

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

The Supplier confirms that it is and shall always remain in compliance with the Indian Offset, Regulatory and Contractual Requirements as applicable in respect of an Indian supplier. The Supplier acknowledges that compliance with the Indian Offset, Regulatory and Contractual Requirements constitute an essential condition without which the Purchaser would not have contracted and shall execute a specific document undertaking necessary compliance with the Indian Offset, Regulatory and Contractual Requirements.

26 - FORCE MAJEURE

Each Party shall inform the other Party immediately, with confirmation by written notice, no later than five (5) calendar days after the occurrence of force majeure preventing it from performing its obligations under the contractual documents.

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

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

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

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

The Supplier shall not be able to invoke delays on the part of its own suppliers or subcontractors unless the cause for these delays may be considered an event of force majeure under this Article 26.

Notwithstanding the above, in case of a force majeure event, the Supplier and the Purchaser will determine a mutually agreeable manner and schedule for fulfilment of the Supplier's remaining obligation of the Order.

For the limited purposes of this Article 26, a force majeure event shall include the following circumstances to the extent they impede the performance of the Order and supply of the Product: (a) acts of God; (b) accidents, fires, explosions (arising from causes beyond the control of the Supplier and/or its sub-contractors (as applicable)); and (c) war, acts of terror or sabotage in each case occurring inside or directly involving India.

The Parties agree that industrial disputes, strikes or any lockouts which are not a generalised labour action occurring across India or the relevant region and is directed only at the Supplier and/or its sub-contractors or their affiliates shall not be considered as a force majeure event.

27 - TRANSFER - ASSIGNMENT - SUBCONTRACTING

27.1 The Purchaser having chosen the Supplier in consideration of its specific abilities and qualities of its personnel, the Supplier undertakes not to transfer or assign all or part of the Order to any third party without the prior written consent of the Purchaser, including in the event of merger, split-up or partial contribution of assets. If such authorization is granted, the assignee or transferee will be

considered as the Supplier and, as such, shall be subject to all the conditions contained in the contractual documents.

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

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

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

28 - EXPORT CONTROL

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

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

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

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

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

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

29 - ETHICS

The Supplier declares that:

- It has not infringed, or alleged to have been in violation of, any anti-corruption laws, anti-money laundering laws or anti-bribery laws or regulations in India, France or any other jurisdiction,
- It has not been subject to any civil or criminal proceeding in India, France or any other jurisdiction, for infringement of anti-money laundering laws, anti-corruption laws or regulations and that no investigation or proceedings have been brought/threatened against it,
- To the best of its knowledge, no executive or manager of its company has been subject to any civil or criminal proceedings in India, France or any other jurisdiction, for infringement of anti-corruption laws, anti-bribery laws, anti-money laundering laws or regulations and that no investigation or proceedings have been brought against such persons.

The Supplier warrants that:

- It complies and shall comply with the legal provisions against corruption in accordance with all applicable foreign and Indian anti-bribery and corruption laws and regulations including, but not limited to, the U.S. Foreign Corrupt Practices Act (“FCPA”), the U.K. Bribery Act, the OECD Anti-Bribery Convention of 1997 and the United Nations Convention Against Corruption of 2003 (UNCAC), (Indian) Penal Code, 1860 and (Indian) Prevention of Corruption Act ,1988,
- 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 the Order,
- It complies and shall comply with the legal provisions against anti-money laundering to prevent and detect money laundering in accordance with the (Indian) Prevention of Money Laundering Act, 2002,
- It has not been declared as a wilful defaulter by the Reserve Bank of India and no proceedings have been initiated against it for committing any wilful default,
- It complies and shall comply with the applicable export control laws of India.

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 the Order.

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

30 - TERMINATION

30.1 The Purchaser shall be entitled to terminate the Order as of right by registered letter with acknowledgement of receipt in the following cases:

- When the Supplier becomes the subject of judicial protection, receivership or liquidation, subject to public policy provisions;
- Admission of a petition of insolvency against the Supplier or when the Supplier fails to meet its financial obligations;
- When the Supplier does not perform its obligations because of a force majeure event (i) the duration of which exceeds one month from the date of notification to the Purchaser, or (ii) causing a delay justifying the termination of the Order, or (iii) permanently preventing the performance of the Order; or (iv) when provided by law or any regulation in force; or
- In case of termination of the contracts executed between the Purchaser and the Final Clients or inter-se between the Final Clients.

30.2 Either Party shall be entitled to terminate the Order as of right by registered letter with acknowledgement of receipt when (a) the other Party fails to perform any of its contractual obligations and does not cure such breach within sixty (60) days from receipt of formal notice thereof sent by registered letter with acknowledgement of receipt, or (b) when provided by law or any regulation in force.

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

- With immediate effect and without prior notice when the Supplier fails to comply with any of its obligations set forth in Articles 19 ("Compliance with Labor Regulations"), and/or Article 28 ("Export control") and/or Article 29 ("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;
- After a prior formal notice sent by registered letter with acknowledgement of receipt and which has remained unheeded for thirty (30) days if the Supplier did not deliver to the Purchaser the insurance certificates as required by Article 18.2;
- Subject to a thirty (30) days' written notice when one of the Purchaser's competitors or a competitor of any other SAFRAN Group Company acquires the control of the Supplier's capital;
- Subject to a thirty (30) days' written notice, in the event of a major change in the industrial organization of the Supplier that could jeopardise the proper performance of the Order (e.g. transfer of production).

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

30.5 Upon the expiration of the Order, or following its termination for any reason whatsoever, the Supplier shall return, within eight (08) days and at its cost, to the Purchaser the Entrusted Property and any Documentation which has not yet been provided.

30.6 In all the cases of termination notwithstanding the reasons, each Party shall still be required to comply with all its contractual obligations until the effective date of termination, without prejudice to any damage that the non-defaulting Party may be able to claim as compensation for the damage incurred as a result of the non-performance by the defaulting Party of its obligations set forth in the contractual documents. Furthermore, if the Supplier is the Purchaser's sole source, the Purchaser may postpone the date of termination until an alternative source of supply has been implemented, in which case the Supplier undertakes to maintain the performance of the Orders in accordance with the contractual terms and conditions.

31 – SURVIVAL AND SEVERABILITY

31.1 The provisions contained in [Article 9 (Entrusted Property), Article 11 (Warranty), Article 15 (Specialised Equipment), Article 17 (Intellectual Property), Article 18 (Liability- Insurance), Article 23 (Confidentiality), Article 24 (Indemnity), Article 33 (Applicable Law- Jurisdiction)] shall survive the termination of these General Purchasing Conditions

31.2 Should any provision of this document become void, illegal or otherwise unenforceable (in whole or in part) for any reason, the validity and enforceability of the remaining provisions shall not be affected. The Parties shall use their best endeavours to negotiate in good faith to find a replacement for the provision which is void or unenforceable with a provision of similar effect.

32 - MISCELLANEOUS

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 special "sensitive" contract, or one with custody of classified and secret information, or one with access to classified and secret information.

The Purchaser acknowledges and agrees to maintain confidentiality at all times regarding any information shared, orally or in written, by the Supplier regarding the national military secrets of India and any ancillary information in the course of procurement of the Order and the delivery of the Supply pursuant to the applicable national laws of the Supplier.

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 Supplies, 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.

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

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.

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. The Supplier and the Purchaser are acting on a principal to principal basis and 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.

All duties, statutory levies and taxes (including on account of any withholding taxes) levied shall be to the account of and borne by the Supplier.

The rights of the Purchaser under these General Purchasing Conditions: (a) may be exercised as often as necessary; and (b) are cumulative and not exclusive of rights and remedies provided by applicable law or otherwise. Any delay in exercising or non-exercise of any such right is not a waiver of that right of the Purchaser.

33 - APPLICABLE LAW - JURISDICTION

By express agreement between the Parties, the contractual documents are governed by Indian Law.

33.1 Dispute Resolution

33.1.1 Amicable Resolution

In the event of any dispute, controversy or difference between the Parties arising out of or relating to these General Purchasing Conditions including a dispute relating to the validity, existence or breach of these General Purchasing Conditions and any non-contractual obligations arising out of or in connection with these General Purchasing Conditions (a **Dispute**), senior representatives of the Parties shall, within [ten (10)] days of service of a written notice from any Party to the other Party (the **Dispute Notice**), try to reach an amicable settlement of the Dispute through discussions.

33.1.2 Arbitration Procedure

If no mutually acceptable settlement of the Dispute is reached within the sixty (60) days following the date of the commencement of such discussions, any Party to the Dispute shall be entitled to refer the Dispute to be finally settled by binding arbitration under the Arbitration and Conciliation Act 1996 as amended time to time.

The rights and obligations of the Parties shall remain in full force and effect pending the award in such arbitration proceeding.

Any arbitration proceeding hereunder shall be conducted on a confidential basis.

33.1.3 Appointment of Arbitrators

Parties may mutually appoint an Arbitrator or approach the court having appropriate jurisdiction in New Delhi for appointment of an Arbitrator.

33.1.4 Seat, Venue, Language and Rules of Arbitration

The seat and venue of the arbitration shall be New Delhi, India . The language of the arbitration shall be English. The arbitration shall be conducted in accordance with the Rules, which Rules are deemed to be incorporated by reference in this Article 33.1.4.

33.1.5 Award; Apportionment of Costs

The arbitration award of the arbitrator(s) shall be final and binding on the Parties and shall be enforceable in accordance with its terms. The Parties waive any right of application or appeal to any court, insofar as such waiver is permitted by applicable law. The Parties agree to be bound thereby and to act accordingly. The award rendered by the arbitrator shall, in addition to dealing with the merits of the case, fix the costs of the arbitration and decide which of the Parties thereto shall bear such costs or in what proportions such costs shall be borne by such Parties.

33.1.6 Notwithstanding anything contained herein, the Purchaser shall have the right to seek, in a court of competent jurisdiction in India, any equitable or interim relief or provisional remedy, including injunctive relief, pending resolution of the arbitration, that may be necessary to protect the rights of the Purchaser in respect of: (a) the intellectual property of the Purchaser; and (b) the restrictive covenants imposed on the Supplier. Seeking or obtaining such equitable or interim relief or provisional remedy in a court of competent jurisdiction in India shall not be deemed as a waiver of the agreement to arbitrate between the Purchaser and Supplier. For the avoidance of doubt, any such equitable remedies shall be cumulative and not exclusive and are in addition to any other remedies that the Purchaser may have under these General Purchasing Conditions or applicable law. Provided that, courts in India will only have jurisdiction in respect of these General Purchasing Conditions for the limited purpose mentioned above.

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

NAME OF THE SUPPLIER:

NAME OF SAFRAN AFFILIATE:

NAME:

TITLE OF THE SIGNATORY:

DATE:

SIGNATURE:

SUPPLIER STAMP:

APPENDIX 1

FIRST DEMAND GUARANTEE

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

The undersigned

[FIRST RATE BANK] [FORM]

With a capital of [TO BE COMPLETED], having its registered office at [TO BE COMPLETED], registered at the Trade and Companies Register of [TO BE COMPLETED] under number [TO BE COMPLETED] represented by [TO BE COMPLETED], acting as [TO BE COMPLETED], duly empowered for the purposes hereof

Hereinafter referred to as the "Guarantor"

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

[SUPPLIER] [FORM]

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

To pay:

[PURCHASER] [FORM]

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

Hereinafter referred to as the "Beneficiary",

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

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

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

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

This guarantee is in addition to and not as a replacement for any other right that the Beneficiary may claim against [SUPPLIER] and must be executed on first demand by the Beneficiary by means of registered letter with acknowledgement of receipt sent to the address of the Guarantor as indicated

at the head of this guarantee, indicating that [SUPPLIER] has not respected its obligations towards the Beneficiary, and without any intervention by [SUPPLIER] or any prior procedure or action against [SUPPLIER] being necessary.

The Bank undertakes not to revoke, cancel or in any manner otherwise affect the dependability by the Beneficiary on this guarantee during its currency for any reason whatsoever except in accordance with imitations of this guarantee and this guarantee shall be a continuous, unconditional and irrevocable guarantee.

The Bank undertakes that it shall, on first demand of Beneficiary, without any demur, protest or contestation and without any requirement for the consent of the Supplier, and notwithstanding any contestation by the Supplier, pay to the Beneficiary such sums as may be demanded in terms of this bank guarantee.

This guarantee shall not be affected by any change to the constitution or business reorganization or liquidation or winding up or dissolution or insolvency of the Beneficiary or the Supplier or the Bank and it shall remain in full force notwithstanding any such change.

The Bank agrees and confirms that this bank guarantee shall be available as a security for entirely meeting, satisfying, discharging and fulfilling all or any of the aforesaid obligations of the Supplier or as may be directed and decided by the Beneficiary with no reference to the Supplier.

The Bank agrees and confirms that it has obtained and is fully satisfied with all margin monies, security interests and other charges that have been provided by the Supplier towards providing this bank guarantee. Further any subsequent change in these securities or the risk profile of the Supplier shall in no manner affect the validity and enforceability of this bank guarantee.

The Bank agrees and confirms that this guarantee shall remain irrevocable and enforceable notwithstanding, the obligations of the Supplier under the General Purchasing Conditions and related agreements being or becoming illegal, invalid or unenforceable in any respect including or raising any objection at any forum by any one that this bank guarantee or the General Purchasing Conditions and related agreement are illegal, invalid or unenforceable in any respect nor the Bank shall raise at any forum such objection.

The Beneficiary may make separate claims hereunder as the Beneficiary thinks fit, provided the aggregate amount of claims shall not exceed the maximum guaranteed amount. On the payment of any demand by the Bank to the Beneficiary under this guarantee the maximum guaranteed amount will get reduced to that extent for the purposes of this guarantee.

The Bank agrees that its obligations contained in this guarantee shall be in addition to and independent of any other security which the Beneficiary may at any time hold in respect of any of the Supplier's obligations under the General Purchasing Conditions and related agreements.

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

In the event of any dispute in relation to this guarantee, exclusive competence is attributed [●]. The validity, interpretation and execution of this guarantee are governed by [●].

Executed in, on.....

Title:

[BANK]

APPENDIX 2

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

A) Definitions

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

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

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

B) Nature of the information exchanged

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

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

C) Validity and taking into account the EDI content

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

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

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

D) Registration and conservation of EDI Messages

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

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

E) Admissibility and probative value of the EDI Messages

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

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

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

F) Security of EDI Messages

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

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

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

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

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

G) Confidentiality

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