

**GENERAL PURCHASING CONDITIONS**  
**INTELLECTUAL SERVICES**  
**SAFRAN GROUP**

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**THE PURPOSE OF THESE GENERAL PURCHASING CONDITIONS IS TO DEFINE THE TERMS AND CONDITIONS FOR PLACING AND PERFORMING ORDERS FOR INTELLECTUAL SERVICES INTENDED FOR SAFRAN GROUP COMPANIES.**

## **1 - DEFINITIONS**

**Acceptance Report:** Document issued by the Purchaser, signed by both Parties, confirming acceptance of the Service.

**Consultation:** The consultation and negotiation phase preceding the possible placing of an Order with the Service Provider.

**Declaration of conformity:** Document given by the Service Provider, on its own responsibility, declaring the conformity of the Service with respect to all applicable standards and other regulations in force.

**Deliverables:** The media, regardless of the form concerned (paper, electronic or other) materializing the Results of the Services ordered from the Service Provider by the Purchaser. The Deliverables include, but are not limited to, calculation notes, documents, files, studies, reports, Software source codes, data, materials, etc.

**Entrusted Property:** Elements entrusted by the Purchaser to the Service Provider and placed under the control and responsibility of the latter, with a view to the performance of the Order.

**GPC IS:** These general purchasing conditions for "Intellectual Services".

**Independent Patent:** Any patent requested or obtained prior to the issuing of the Order or independently of the performance of the Order.

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

**Order:** Document, regardless of its form, issued by the Purchaser and sent to the Service Provider, concerning the purchase of a Service and including, in particular, the designation of the Service ordered, where applicable the Deliverables expected, the deadlines, the price, as well as the reference to these GPC IS.

**Own Knowledge:** The information, data, methods, designs, software, models, patented or not, protected or not, including know-how held by a Party before the entry into force of an Order or that it develops independently of the Order without access to the other Party's Own Knowledge.

**Party(ies):** The Purchaser and/or the Service Provider.

**Patent:** Any patent resulting from performance of the Order.

**Purchaser:** Safran Group Company issuing the Order.

**Results:** Any element 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 and/or industrial property rights, and which is produced or developed for the Purchaser on the basis of plans and/or diagrams and/or any other specifications of the Purchaser in the course of the performance of the Order. Any Results are part of the Service.

**Service(s):** Any intellectual service performed by the Service Provider on behalf of the Purchaser further to an Order placed by the latter, whose content is described in the Order pertaining to it, such as, but not limited to, studies, training, IT development, the provision of advice. The Services will give rise to Results materialized in the form of Deliverables.

**Service Provider:** Natural person or legal entity to whom or to which the Order is sent.

**Software:** All the software (programs, source code, documentation relating to design, performance and use, etc.) which was developed in reference to the Order on the basis of the Purchaser's Specifications, including parameterization software, but with the exception of software that is part of either Party's Own Knowledge.

**Specifications:** Any document setting out the requirements that the Service Provider or the Service must comply with, the Purchaser's needs and the performance conditions of the Service, including in particular the statement of work description, applicable standards and quality requirements.

## **2 - CONTRACTUAL DOCUMENTS**

**2.1** The purpose of these GPC IS is to set forth the contractual relationship between the Service Provider and the Purchaser within the framework of the Orders for Services. They may be completed, clarified, or amended by special terms and conditions within the framework of a document negotiated and signed by the Service Provider and the Purchaser. They may also be completed by Specifications.

The relationship between the Purchaser and the Service Provider related to the Service is governed by the following contractual documents, listed in order of decreasing priority:

- The Order;
- If applicable, the contract or the special terms and conditions of purchase;
- The GPC IS;
- The Specifications.

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

In the event of contradiction between two documents with a different ranking, the document with the higher ranking shall prevail.

**2.2** The Order shall be deemed to have been accepted by the Service Provider 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 Service Provider, without modifications, within fifteen (15) calendar days as from the date on which the Order was issued;

- The beginning of the performance of the Order by the Service Provider, without its written reservations on the contractual documents within the period above.

By accepting the Order, including by the beginning of the performance of the Order, the Service Provider accepts the contractual documents without any reservation. These contractual documents constitute the entire agreement between the Parties.

No supplement or modification to the contractual documents shall be binding unless it is in writing and signed by the Parties.

### **3 - ORDERING PROCEDURE**

**3.1** The Service Provider 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 Service Provider has an obligation of result (*“obligation de résultat”* within the meaning of the French Law) with regard to compliance with the timeframes set in the contractual documents, and with regard to delivery of the Deliverables in accordance with the contractual documents, within the agreed timeframes, and in accordance with any other modalities provided for in the latter.

The Deliverables handed to the Purchaser must be drafted by the Service Provider in a legible and comprehensible manner to enable them to be used by the Purchaser. Where applicable, if the contractual documents or regulations provide for this, the Service Provider will hand a Declaration of conformity to the Purchaser at the same time as the Deliverables.

**3.2** The Service Provider is solely and fully responsible for determining the resources required to perform the Order. The Service Provider shall, in particular obtain all necessary rights, elements and information to perform the Order. The Service Provider shall be deemed to have obtained from the Purchaser all the necessary elements and information before performing the Order. Moreover, the Service Provider shall promptly inform the Purchaser of any existing or future difficulties or anomalies during the implementation of the Order.

**3.3** The Service Provider has a duty to inform and provide advice to the Purchaser. In this respect, it undertakes in particular to:

- Contribute to analysis of the Purchaser's requirements and specificities, requesting from it if need be any information and/or documents necessary for perfect understanding of the Purchaser's requirements in respect of the Order;
- Warn the Purchaser without delay, in writing, of the consequences of any new request or choice made by the Purchaser, in particular with regard to the technical conditions and financial terms pertaining to the performance of the Services;
- Inform the Purchaser as soon as possible, and confirm its observations in writing, of any defects, errors or omissions that it may have noted in information or documents that had been provided to it by the latter;
- Cooperate with all the requisite diligence in any audits initiated by the Purchaser;
- Provide the Purchaser with any information or documents that could be of utility to it in the context of the Service.

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

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

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

**3.5** The Service Provider and the Purchaser may exchange electronic data for the performance of the Order; the applicable conditions to these exchanges are provided in Appendix 2.

**3.6** For Orders for Services whose performance is staggered over time, the Service Provider undertakes to keep the Purchaser regularly informed of the progress of the Order. The Order may specify the procedures for the provision of this information.

**3.7** Unless otherwise provided for in the Order, the Services will be produced in the Service Provider's premises and/or those of its subcontractors that have been authorized by the Purchaser in accordance with the provisions of Article 21.2 of the GPC IS. Any work carried out in performance of the Order that takes place outside metropolitan France must be authorized in advance by the Purchaser in writing. This consent may be revoked at any time during the course of performance of the Services by means of a decision duly justified by the Purchaser. In this case, the Service Provider must provide an alternative solution that it can set in place to guarantee continuity of the Services.

If necessary, certain Services may be produced at one of the Purchaser's sites. In this case, the Service Provider undertakes to comply with the provisions of Article 16 of these GPC IS.

**3.8** Subject to providing one (1) week's advance notice, the Purchaser reserves the right to carry out inspections at the Service Provider's premises or at the premises of those of its subcontractors that have been authorized by the Purchaser in accordance with the provisions of Article 21.2 of the GPC IS, in order to monitor the performance of the Services, with the exception of audits relating to compliance with obligations concerning safety and confidentiality, which may take place without prior notice. The Purchaser undertakes to comply with the safety instructions in force within the Service Provider's premises, which the latter will communicate to it after having been notified of the said inspection by the Purchaser. This inspection by the Purchaser will in no way lessen the Service Provider's liability, and will in no way limit the Purchaser's right to refuse to accept the Services.

**3.9** The particularities relating to State contracts are detailed in Appendix 4.

## **4 - QUALITY REQUIREMENTS**

**4.1** The requirements of the standard ISO 9001 "Quality management systems - Requirements", in the version in force at the Order issue date, or its equivalent, are applicable to all Services produced for the Purchaser.

**4.2** The AS/EN/JPIS 9100 Quality requirements in the version in force at the Order issue date are applicable to all Services consisting of aeronautical studies carried out for the Purchaser.

**4.3** The Service Provider's quality system must meet the quality requirements applicable to the Purchaser's suppliers, as defined in the Purchaser's procedures or in any other document provided to the Service Provider.

**4.4** At the time of Consultation, the Service Provider must define in writing the measures that it will be implementing to meet the requirements of the documents listed above, either via its quality manual, or by drawing up a generic quality plan covering all the activities carried out for the Purchaser. This quality manual or generic quality plan must be accepted by the quality correspondent designated by the Purchaser before the Order is placed. Acceptance of the quality manual or generic quality plan will in no way limit the Service Provider's liability.

**4.5** The Service Provider will demonstrate that its quality management system conforms to the requirements of this document before the Order is placed.

**4.6** If there are specific additional quality requirements for a Service, issued by the Purchaser, the Service Provider must schedule and develop the processes necessary to perform the Service and draw up a specific quality plan, applicable solely to this Service. This plan will be added to the generic provisions of the quality manual or generic quality plan referred to above. This specific quality plan must be accepted by the quality correspondent designated by the Purchaser before the Order is placed. This acceptance will in no way limit the Service Provider's liability.

## **5 - DEADLINES**

**5.1** 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.

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

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

- to apply, unless otherwise agreed by the Parties in a signed document, automatically, and without prior notice, late penalties equivalent to 0.5% of the pre-tax price of the relevant Order per calendar day's delay, these penalties being capped at 15% of the pre-tax amount of the Order and/or
- to terminate the Order under the terms and conditions referred to in Article 23 "Termination" below, without any indemnity being due to the Service Provider.

These penalties do not discharge the Service Provider from its obligations and cannot be considered as a final, lump-sum compensation for the damage incurred by the Purchaser. The Purchaser shall notify the amount of late penalties by written document. The Service Provider agrees that the Purchaser may deduct, after a period of fifteen (15) calendar days following the notification, the late payment penalties from the amount due to the Service Provider in relation to the late Order, if within this delay the Service Provider has not disputed in writing the facts of the grievance or has not already paid to the Purchaser the amount claimed.

## **6 - ACCEPTANCE OF THE SERVICES**

**6.1** On the date provided for in the Order, the Service Provider undertakes to have performed the Services, and in particular undertakes, if the Order has provided for Deliverables, to have delivered the Deliverable(s) to the Purchaser for its acceptance. The process of acceptance by the Purchaser will take place as (i) the Services are performed (or the Deliverable(s) is/are delivered) and these are considered as being complete and usable by the Purchaser, and (ii) the supply by the Service Provider of objective proof of their conformity to the Order. Acceptance will be materialized by the issuing of an Acceptance Report.

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

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

**6.3** The transfer of risks will take place when the Acceptance Report is issued.

**6.4** If a Service (including Results which include themselves Deliverables) does not conform to the contractual documents, the Purchaser will inform the Service Provider of its reservations and enable it to verify and correct this non-compliance as soon as possible. Should the Service Provider neither inspect nor dispute this non-compliance, the Purchaser reserves the right, at its option:

- To accept the Service as is, in exchange in particular for a price discount;
- To accept it after corrective action has been carried out by the Service Provider at the latter's expense;
- To refuse it.

The non-compliant Service refused by the Purchaser will be deemed not to have been delivered and will give rise to application of the penalties provided for in Article 5, "Deadlines", above, notwithstanding the Purchaser's right to seek damages due to the non-compliance, and/or to cancel the Order.

**6.5** The Service Provider also undertakes to inform the Purchaser as quickly as possible of any major defect that is found after the performance of the Services which could affect the safety of the equipment concerned by the Services provided, or call into question studies or work or any other Deliverable deriving from these Services.

## **7 - TRANSFER OF OWNERSHIP**

Transfer of ownership of the Results to the Purchaser will take place as and when they are produced, notwithstanding any reservation of title clause contained in the Service Provider's documents.



## **8 - ENTRUSTED PROPERTY**

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

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

The Service Provider 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 Service Provider.

The Service Provider 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 Service Provider shall carry out a joint inventory.

The Service Provider 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 Service Provider 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 Service Provider have a lien ("*droit de rétention*") granted by law on the Entrusted Property, it shall expressly surrender such lien ("*droit de rétention*") of the Entrusted Property.

## **9 - PRICES - INVOICING - PAYMENT TERMS**

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

**9.2** The Service Provider undertakes to invoice the Service in accordance with the contractual documents and, in any case, not before the performance of the Service. When an invoicing schedule is mentioned in the Order, the Service Provider shall comply with it.

Invoices shall be drawn by the Service Provider in accordance with applicable regulations and include, in addition to statutory information, the following elements:

- The Order number;
- The item number in the Order;
- The date and number of the performance report;
- The Service Provider's code, as provided by the Purchaser;
- A detailed description of the Service as described in the Order.

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

**9.4** The deadline for payment of invoice shall be stated in the Order, it being specified in accordance with the law, it shall not be more than forty five (45) days end of month or sixty (60) days from the date of issuance of the invoice. Should no deadline for payment be specified in the Order, the deadline for payment shall be thirty (30) days from the date of issuance of the invoice.

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

## **10 - WARRANTY**

**10.1** The Service Provider guarantees the good performance of the Service in accordance with the contractual documents.

Unless otherwise provided for in the Order, the duration of the warranty shall be one (1) year as from the date of the Acceptance Report unreservedly accepting the Service. In this respect, the Service Provider undertakes to rectify the Service where necessary, at no cost to the Purchaser. This warranty clause is without prejudice to any damage sustained by the Purchaser.

**10.2** Unless otherwise provided for in the Order, correction of the Service in relation to the warranties provided for in this article must be carried out within a maximum timeframe of forty-five (45) days as from written notification by the Purchaser of the defect or non-conformity in question.

If a Service contains several sub-assemblies, the Service Provider must, at its expense, correct any anomaly that may be caused by a defect in one sub-assembly in the other sub-assemblies of the said Service.

**10.3** Any corrected Service will be guaranteed, under the same conditions as those set forth above, until the expiry of the warranty period for the Service, and for a minimum period of six (6) months following the intervention. If the Service Provider does not perform its warranty obligations, the Purchaser reserves the right to carry out the necessary works or have it carried out by a third party, at the Service Provider's expense.

## **11 - CONTINUITY**

For the Service Orders whose implementation is staggered over time, the Service Provider 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.

## **12 - INDUSTRIAL AND INTELLECTUAL PROPERTY**

**12.1** The Purchaser may, for all countries, freely use, grant licenses, operate or transfer the Results that it has become the owner of in compliance with the provisions of article 7 “Transfer of Ownership”. It is specified that for Results that could be subject to a copyright protection (in particular software), the economic rights (“*droits patrimoniaux*”) transferred to the Purchaser by the Service Provider include the display, reproduction, translation, adaptation, modification, marketing, use, retention, and duplication rights and more generally all operating rights for any purpose during the legal protection period of economic rights (“*droits patrimoniaux*”). The Purchaser may therefore make use of these Results, as owner, in the most extensive way using all media and for all purposes.

The Service Provider undertakes not to use the Results for any purpose other than the performance of the Order. At the request of the Service Provider, the Purchaser may, at its option and under conditions to be defined, grant to the Service Provider a non-exclusive and non-transferable right to use the Results.

**12.2** The Service Provider grants the Purchaser, for the legal duration of intellectual and/or industrial property rights, worldwide, the right to use and/or operate, free of charge, on a non-exclusive, irrevocable and transferable basis, with the right to sub-license, Own Knowledge that it holds and of which it is the holder, author or licensee, which is necessary for the use and/or operation of the Results and, more generally, the Service. If the Service Provider transfers its rights to the said Own Knowledge to a third party, it must obtain an undertaking from this third party that it will grant the Purchaser the same rights as those provided for in this Article.

**12.3** The Service Provider warrants that it is the holder or has been granted the intellectual and/or industrial property rights to the Results transferred and, as such, shall hold harmless the Purchaser against all claims from third parties in relation to these rights.

In addition, it warrants that it holds all the rights transferred to the Purchaser in application of article 12.2 of these GPC IS with a view to enabling the latter to use and exploit the Results and, more generally the Service.

The Service Provider shall indemnify and hold harmless the Purchaser against all the consequences of intellectual and/or industrial property claims from third parties which may be filed against the Purchaser in relation to the use or operation of the Service and the Results. The Service Provider undertakes to take charge of the Purchaser’s defence and of all consequences, including costs, expenses and fines, which may result for the Purchaser. However, the warranty will be excluded when the third party’s claim for infringement is based on the modification of the Results without the agreement of the Service Provider or on any use thereof which does not comply with the documentation and the contractual documents.

**12.4** Furthermore, at the option of the Purchaser, the Service Provider 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 Results, or (ii) replace or modify them 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 Service.

**12.5** Own Knowledge will remain the property of the Party that is the holder thereof. With a view to the performance of the Services that are the subject of the Order, the Purchaser may be led to grant the Service Provider a free right to use its Own Knowledge that is necessary for the performance of the said Services, it being specified that the Service Provider undertakes not to use them for any other purpose.

The Service Provider undertakes not to modify in any way whatsoever, either directly or indirectly, the hardware, software, software packages or documents entrusted to it by the Purchaser, without having requested its prior express written consent in advance, by the despatch of a notification, and at all events it undertakes not to acquire industrial and/or intellectual property rights based on Own Knowledge.

**12.6** The Service Provider undertakes to keep the Results secret and not to acquire any industrial and/or intellectual property rights based on these Results, which will be the property of the Purchaser. If these Results are patentable, and unless agreed otherwise by the Parties in writing, the Patents will be filed by and in the name of the Purchaser. However, the Purchaser will mention the name of the inventors, and the Service Provider will assume personal responsibility for the additional remuneration to be paid to its employees for mission inventions.

**12.7** The Service Provider undertakes to place the source codes for Software developed in the context of the Order at the Purchaser's disposal.

With regard to software for which the Service Provider granted an exploitation licence to the Purchaser as defined in article 12.2 above, the Service Provider undertakes to provide the said source codes to the Purchaser or file them with the *Agence pour la Protection des Programmes* (French programs protection agency) under a registration number or registration numbers that must be communicated to the Purchaser.

If the Service Provider ceases to use the said software or if its business ceases operating without being taken over by a third party, the source codes for the said software will be placed free of charge at the disposal of the Purchaser, which will be entitled to use them and modify them for its own requirements.

**12.8** The Service Provider undertakes not to use open source software in the context of the performance of the Services. If the Service Provider nonetheless plans to use open source software, it must obtain the Purchaser's prior written consent after having justified this requirement in writing, and specifying in particular the licensing terms and conditions and their consequences. At all events, use of this open source software cannot reduce the levels of guarantee given by the Service Provider or limit or eliminate its liability in the context of the performance of the Services.

**12.9** The obligations defined in this article 12 will remain in force after the expiry or termination of the Order, regardless of the reason(s) for this.

## **13 - LIABILITY - INSURANCE**

**13.1** The Service Provider 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 Service Provider shall indemnify the Purchaser for any loss or damage sustained by the latter, including the cost of repair and/or replacement that would result from any damage or loss to Entrusted Property. Any assistance the Purchaser may give to the Service Provider, for the performance of the Service or the controls the Purchaser may organize, shall not in any way exempt the Service Provider from its liability as regards to the Service.

**13.2** The Service Provider undertakes to take out and maintain in effect the necessary insurance policies up to an amount commensurate with the risks and liabilities incumbent upon it under ordinary law provisions and its contractual commitments. In this respect, the Service Provider 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. Moreover, the Service Provider shall produce proof that it has paid its premiums and shall provide annual 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 Service Provider take out additional coverage at its own expense.

It is further stated that when the Entrusted Property by the Purchaser to the Service Provider is located at the Service Provider's premises, the latter undertakes to take out on behalf of the Purchaser a comprehensive risk insurance policy ("*assurance tous risques*") 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 Service Provider.

Neither the presentation of insurance certificates by the Service Provider nor the content of the insurance policies taken out shall limit the Service Provider's liability vis-à-vis the Purchaser.

## **14 - COMPLIANCE WITH LABOUR REGULATIONS**

The Service Provider guarantees that it complies with the labour legislation to which it is subject. It also guarantees that the Service shall be performed in compliance with the labour laws in force in the countries in which the Service is performed.

In particular, if the Service is performed in France, the Service Provider undertakes to comply with the labour law relating to concealed work (Articles L.8222-1 *et seq.* and Articles R.8222-1 *et seq.* of the French Labour Code) and foreign labour (Articles L.8253-1 *et seq.* and L.8254-1 *et seq.* in the French Labour Code). Depending on whether it is domiciled in France or abroad, the Service Provider undertakes to submit to the Purchaser on the date of the Order and in any case before the beginning of the performance of the Service, then every six (6) months until the Order is performed either the documents indicated in Articles D.8222-5 *et seq.* and D.8254-1 *et seq.* of the French Labour Code or the documents indicated in Articles D.8222-7 and 8 *et seq.* and D.8254-3 *et seq.* of the French Labour Code. A letter template to be completed by the Service Provider including the list of documents required from it under the French Labour Code, depending on whether it is domiciled in France or abroad, is provided in Appendix 3.

## **15 - COMPLIANCE OF THE SERVICE WITH REGULATIONS AND STANDARDS**

Through the performance of the Order, the Service Provider guarantees to the Purchaser the compliance of the Service with the regulations and standards in force in the country where the Service is performed for the Purchaser, and in any other country where the Service Provider has been informed that the Results of the Service will be used.

For this purpose, the Service Provider 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 Service.

Irrespective of the place in which the Service is performed (in France or abroad), the Service Provider also warrants that the Service 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 Service Provider undertakes to release to the Purchaser upon the delivery of the Service all information it has to enable the safe use of the Results of the Service.

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

## **16 - PERFORMANCE OF THE SERVICE AT ONE OF THE PURCHASER'S SITES**

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

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

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

Where necessary, the Purchaser will make available to the Service Provider premises that will be allocated to enable it to intervene without disrupting the Purchaser's organization. The Service Provider will be able to place its equipment there, including in particular computer equipment (PCs, workstations, office furniture, etc.) necessary for the performance of the Services that are the subject of the Order. The disposal of the premises will end once the Order has been performed, or if the Service Provider's presence in the Purchaser's premises is no longer justified. The Service Provider 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 Service Provider, in accordance with the conditions defined in Appendix 2.

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

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

Each member of the Service Provider'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 Service Provider's project manager.

Upon the completion of the Services at the Purchaser's site, the Service Provider's personnel must:

- return to the Purchaser's security manager the badges and other means of access that had 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.

## **17 - SERVICE PROVIDER'S PERSONNEL**

The Service Provider is solely responsible for the administrative, accounting and labour management and supervision of its personnel assigned to the performance of the Order. The Service Provider will expressly retain hierarchical and disciplinary authority over its employees, including during the time when they are present at the Purchaser's site.

For that purpose, the Service Provider will appoint a project manager, in charge of giving instructions to the Service Provider's staff that will report to it on the status of the Services. This project manager will be the Purchaser's sole interlocutor.

The Service Provider will be solely liable 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 Service is in compliance with the contractual documents.

## **18 - CONFIDENTIALITY**

**18.1** The Service Provider shall keep confidential all information received from the Purchaser in connection with the Order, as well as all information the Service Provider might have access 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.

**18.2** 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 Service Provider, expressly or implicitly, any right whatsoever (under a licence or by any other means) in respect to this Confidential Information.

**18.3** The Service Provider 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.

**18.4** Nevertheless, the confidentiality obligations shall not apply to any 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 Service Provider;
- is already known or available to the Service Provider at the date of receipt of Confidential Information, as evidenced by written records of the Service Provider;
- is lawfully obtained by the Service Provider from third parties, with full rights of disclosure, as evidenced by written records of the Service Provider.

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

**18.6** In the event of termination of the Order for whatever reason, the Service Provider undertakes to return Confidential Information immediately to the Purchaser and/or to destroy any medium containing all or part of Confidential Information. The Service Provider will supply the Purchaser with a certificate attesting to such complete return or destruction. Such return or destruction of Confidential Information shall not release the Service Provider from its confidentiality obligations under this article.

**18.7** 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.

**18.8** The Service Provider undertakes not to publish any article or advertisement relating to the Order and/or to the Service and/or any other information in connection with its business with the Safran Group without the prior written consent of the Purchaser.

**18.9** Unless otherwise provided for in the Order, the confidentiality obligations provided in this article shall remain in full force and effect throughout the Order performance and for a period of ten (10) years from the end of the warranty period for the Service, it being specified, however, that with regard to Results that are the subject of intellectual and/or industrial property rights, the obligation of confidentiality will remain in force throughout the entire duration of performance of the Order and throughout the entire legal duration of protection relating to intellectual and/or industrial property right.



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

**18.11** In order to ensure the security of the Purchaser's Confidential Information and the media containing it, the Service Provider 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 Service Provider that it must consider the Confidential Information as being the subject of "Confidential Industry" ("*Confidentiel Industrie*"), and must handle it as such in accordance with the ministerial order ("*arrêté*") of November 30<sup>th</sup>, 2011 about the protection of national military secrets.

**18.12** Should the Service Provider disclose to the Purchaser information that it owns, which would be marked or identified as being confidential, the Purchaser undertakes to comply with the same obligations.

## **19 - OFFSET**

If, throughout the performance of the Order, the Service Provider uses products or services from countries with which the Purchaser has, directly or indirectly, contracted offset obligations, the Service Provider 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.

## **20 - 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.

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

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

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

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

## **21 - TRANSFER - ASSIGNMENT - SUBCONTRACTING**

**21.1** The Service Provider undertakes not to transfer or assign all or part of the Order or the related rights and obligations to any third party without the prior written consent of the Purchaser, including in the event of merger or split-up. However, the Service Provider may assign to third party debts held by the Purchaser.

The Purchaser reserves the right to transfer or assign to any Safran Group Company, all or part of the Order or the related rights and obligations, subject to prior written notice thereof sent to the Service Provider.

**21.2** The Service Provider undertakes not to subcontract all of the Order. Moreover, the Service Provider 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 Service Provider 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 Service Provider. Notwithstanding the approval of the Purchaser to the Service Provider's subcontracting of the performance of the Order, or to the choice of the subcontractor and its payment terms, the Service Provider shall remain solely liable to the Purchaser for the performance of the Service subcontracted. No default of its subcontractors shall exclude or limit the Service Provider's liability.

## **22 - EXPORT CONTROL**

**22.1** The Parties agree to comply with export control laws and regulations that are applicable to the Service (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.

**22.2** 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.

**22.3** In the event that the export or re-export of all or part of the Service is subject to obtaining an export license, the Service Provider 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 Service and to deliver such to customers or to any other final user specified by the Purchaser to the Service Provider. The Service Provider 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 Service to a third party. It is specified that notice by the Service Provider to the Purchaser of the classification of all or part of the Service and the issuance of the export license described hereinabove constitute conditions precedent to the Order coming into force.

**22.4** The Service Provider 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 authorized to access such information, by dispensation or by an export license granted by the competent government authorities.

**22.5** Should the export licence be withdrawn, not renewed or invalidated for reasons attributable to the Service Provider, 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.

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

## **23 - TERMINATION**

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

- When the other Party fails to perform any of its contractual obligations and does not cure such breach within thirty (30) days from receipt of formal notice thereof sent by registered letter with acknowledgement of receipt;
- When the other Party becomes the subject of judicial protection, receivership or liquidation, subject to public policy provisions;
- When there is a force majeure event the duration of which exceeds one month from the date on which one of the Parties informs the other Party thereof.

**23.2** In addition, the Purchaser may terminate the Order as of right by registered letter with acknowledgement of receipt in the following cases:

1. With immediate effect when the Service Provider fails to comply with any of its obligations set forth in articles 14 (“Compliance with Labour Regulations”), 22 (“Export control”) and/or 24 (“Ethics”) of these GPC IS and more generally in case of any breach by the Service Provider of any of its contractual obligations which cannot be remedied;
2. Subject to a thirty (30) days’ written notice when one of the Purchaser’s competitors or a competitor of any other Safran Group Company acquires a stake in the Service Provider’s capital;
3. Subject to a thirty (30) days’ written notice, in the event of a major change in the social and/or industrial organisation of the Service Provider that could jeopardise the proper performance of the Order.

**23.3** In the event of termination of the Order by the Purchaser for reasons attributable to the Service Provider, and except in the event referred to in article 23.2.2 (capital investment), the Purchaser reserves the right to perform or have a third party perform all or part of the Order at the expense of the Service Provider. In this respect, the Service Provider 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 Service.

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

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

## **24 - ETHICS**

The Service Provider solemnly declares that:

- It has not infringed any anti-corruption laws or regulations,
- It has not been subject to any civil or criminal sanctions, in France or abroad, for infringement of anti-corruption laws or regulations and that no investigation or proceedings which could lead to such sanctions have been brought against it,
- To the best of its knowledge, no executive or manager of its company has been subject to any civil or criminal sanctions, in France or abroad, for infringement of anti-corruption laws or regulations and that no investigation or proceedings which could lead to such sanctions have been brought against such persons.

The Service Provider warrants that:

- It complies and shall comply with the legal provisions against corruption in accordance with the OECD Convention of 1997 and the United Nations Convention Against Corruption of 2003 (UNCAC),
- It 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.

The Service Provider 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 clause, the Purchaser shall automatically have the right to terminate the Orders in progress with immediate effect and without compensation, and without prejudice to any other remedies the Purchaser may request from the Service Provider.

## **25 - MISCELLANEOUS**

The particularly sensitive nature of the Purchaser's business activities may result in specific requirements regarding security. As a result, and in accordance with the ministerial order ("*arrêté*") of November 30<sup>th</sup>, 2011 about the protection of national military secrets, the Service Provider may be required, before the start of the performance of the Order, to sign either a special "sensitive" contract, or one with custody of classified and secret information, or one with access to classified and secret information.

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

## **26 - GOVERNING LAW - JURISDICTION**

By express agreement between the Parties, the contractual documents are governed by French law.

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

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

NAME OF THE SERVICE PROVIDER:

NAME AND CAPACITY OF THE SIGNATORY:

DATE:

SIGNATURE:

THE SERVICE PROVIDER'S STAMP:

## APPENDIX 1

### FIRST DEMAND GUARANTEE

As part of order [N°] (hereafter the “Order”), placed on ...between (name of Service Provider, address, trade and companies register) and (name of the Purchaser, address, trade and companies register) for (detail of the Order) for an amount of ....

The undersigned  
[FIRST RATE FRENCH BANK]  
[FORM]

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

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

[Service Provider]  
[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 Service Provider 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 [SERVICE PROVIDER] in relation to the Order.

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

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

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

Executed in ....., on.....

Title:  
*[BANK]*

## APPENDIX 2

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

### A) Definitions

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

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

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

### B) Nature of the information exchanged

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

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

### C) Validity and taking into account the EDI content

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

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

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

### D) Registration and conservation of EDI Messages

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



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

#### E) Admissibility and probative value of the EDI Messages

Each Party agrees that the EDI messages exchanged on the basis of this Appendix and in conformity with the provisions hereunder have a probative value equivalent to that of a 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 authorisation from the sender. When a refused or erroneous message is retransmitted by the sender, the message must clearly indicate that it is a corrected message. In addition, the Parties undertake to set up and maintain the operational environment necessary for EDI operations. As such, the Parties must supply and ensure maintenance for the hardware, software and the services necessary to transmit, receive, translate and conserve EDI messages.

#### G) Confidentiality

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

## APPENDIX 3

### LETTER TEMPLATE TO BE PROVIDED BY THE SERVICE PROVIDER ("CONTRACTING PARTY")

<b>IF THE CONTRACTING PARTY IS REGISTERED IN FRANCE</b>
---

Company XXXX

Company YYYY  
For the attention of ...

XXX, represented by Mr. ...., ..... (position), duly authorized for the purpose hereof, acknowledges that it is governed by current legislative and regulatory provisions of the French Labor Code and in particular the provisions relative to undeclared labor (Articles L.8222-1 et seq. and R.8222-1 to R.8222-3 of the Labor Code) and foreign labor (Articles L.8254-1 to L.8254-4 of the Labor Code) and undertakes to provide the following documents:

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

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

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

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

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

In ....., on .....

Mr. XXX

<b>IF THE CONTRACTING PARTY IS REGISTERED ABROAD [and if the employee(s) perform(s) the Service in France]</b>
--

Company XXXX

Company YYYY  
For the attention of ...

XXX, represented by Mr. ...., ..... (position), duly authorized for the purpose hereof, acknowledges that it is governed by current legislative and regulatory provisions of the French Labor Code and in particular the provisions relative to undeclared labor (Articles L.8222-1 et seq. and R.8222-1 to R.8222-3 of the Labor Code) and foreign labor (Articles L.8254-1 to L.8254-4 of the Labor Code) and undertakes to provide the following documents:

**OBLIGATIONS RELATIVE TO UNDECLARED LABOR: D.8222-7 and 8 of the French Labor Code**

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

**OBLIGATIONS RELATIVE TO FOREIGN LABOR: Article D.8254-3 of the French Labor Code**

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

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

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

In....., on.....

Mr. XXX

## APPENDIX 4

### SPECIAL FEATURES OF FRENCH STATE CONTRACTS

- 1 - None of the provisions of these GPC IS may be interpreted as precluding any reproduction right or any other right held by the French State.
- 2 - If the Order relates to a French state contract, the following provisions will apply:
  - (i) The Service Provider declares, in accepting the Order, that there are no reasons that could hinder its participation in State contracts or in enterprises assigned or controlled by the State in application of the provisions governing such contracts. It also undertakes to provide any documents and certificates, including those of a financial, fiscal and parafiscal nature, that might be requested in this respect.
  - (ii) In the event of failure to comply with the provisions set forth in this Appendix, the Purchaser will be entitled to terminate the Order by right without advance notice, on the grounds of fault attributable exclusively to the Service Provider, without prejudice to its right to seek compensation for the damage suffered as a result of such termination, in accordance with the provisions set forth in the Article of the GPC IS entitled "Termination".
- 3 - The Service Provider acknowledges the rights provided for in Article 3.8 of the GPC IS and will afford the representatives of the Official monitoring and surveillance departments designated in the Order with the facilities stipulated in the said Article.