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1. DEFINITIONS

Aeronautical maintenance:	refers to all operations linked to activities subject to our EASA Part 21 G and EASA / FAR / TCCA Part 145 or EMAR145 approvals.
Deliverable(s):	the products and/or services provided by the Supplier to NSE under the Purchase Order.
Deadlines:	deadlines are understood to be in calendar days, unless otherwise stipulated.
Documentation :	any document issued or furnished by the Supplier that is required for the performance, installation, use, exploitation, care or maintenance of the Deliverables.
Entrusted Assets:	the assets entrusted by NSE to the Supplier and placed under the latter's control and responsibility, including all Deliverables, as well as the Tooling manufactured by the Supplier or provided by NSE on behalf of and at the cost of NSE, to perform the Purchase Order.
GPC:	these General Purchasing Terms and Conditions.
NSE:	the companies, sites, subsidiaries or legal entities in which NSE holds at least 50% of the share capital
Parties:	NSE and its Supplier.
Purchase Order:	all of the contractual documents comprising the order for Deliverables made by NSE with the Supplier.
Results:	any item that is the subject matter of the Purchase Order, whatever its medium and form, including the processes, data, software, moulds, Tooling, equipment, sets, plans, technical notes, drawings, models, prototypes, test data, or any other item under the Purchase Order, which may or may not be subject to intellectual property rights, made or developed for NSE from the plans and/or diagrams and/or other specifications specific to NSE in the performance of a Purchase Order. The Results form part of the Deliverable.
Supplier:	the individual or legal entity with which NSE places the Purchase Order.
Tooling:	any mechanism (e.g. foundry or plastic injection moulds, testbeds, dies, machining fixtures, transport frames) used by the Supplier to fulfil the requirements of the Purchase Order. These items are financed or provided by NSE or by the Supplier.
Work:	the construction, installation, maintenance or renovation work.

2. SCOPE OF APPLICATION

- 2.1 These GPC will apply as of right to all NSE Purchase Orders for the purchase of the Deliverables. Unless otherwise stated and duly agreed by NSE in writing, a Purchase Order is subject to these GPC, which form an integral part of it. In this respect, they replace NSE's previous GPC, the most recent version in force being available on NSE's website (<http://www.nse-groupe.com>)
- 2.2 Any derogation from these GPC may be valid only with the prior, written consent of NSE and the Supplier.

3. IMPLEMENTING RULES FOR THE PURCHASE ORDER

- 3.1 All purchases must be the subject of an Order, issued by NSE, signed by a duly authorised representative, which will be acknowledged by the Supplier within seven (7) days. If no acknowledgement of receipt is received after this period, acceptance of the Order shall be deemed to have been accepted, together with the associated deadlines.
Unless otherwise stated in the Order, the effective date of the Order shall be the date of issue of the Order. Prior to receipt by NSE of the Supplier's confirmed acknowledgement of receipt or in the absence of such acknowledgement before the end of seven (7) days, any Order may be cancelled by NSE by written notice to the Supplier with immediate effect, at any time, without prior formal notice or special formalities.
- 3.2 The Supplier undertakes to perform the Purchase Order in compliance with the deadlines and terms and conditions provided in the contractual documents and in keeping with the generally accepted levels of practice within the industry, applicable regulations and current standards. The Supplier is bound by an obligation of guaranteed results ("*obligation de résultat*").
- 3.3 The Supplier will, under its own liability, define the means necessary for performing the Purchase Order. It is responsible in particular for ensuring that it has all the required rights, items and information for the proper performance of the Purchase Order and, if necessary, for obtaining any missing items and information prior to executing it. In addition, it must immediately inform NSE of any difficulties or anomalies observed or that arise during performance of the Purchase Order.
- 3.4 The Supplier declares that it is an experienced professional in the domain in which its skills are sought, such that it is able execute the Purchase Order correctly. In this context, the Supplier is bound by a duty to provide NSE with information and advice.
- 3.5 In addition, the Supplier will immediately inform NSE in writing of any situation concerning it that may jeopardise the proper performance of the Purchase Order, including in the event of financial difficulties that could lead to the opening of collective proceedings affecting its business (suspension of payments, recovery or judicial liquidation), any similar situation such as winding-up, the total or partial transfer of its business activity or any change that may occur in its organisation having an impact on the proper performance of the Purchase Order.
Any Purchase Order sent by NSE to the Supplier is subject to the F-0099 Supplier Quality Requirements at the most recent index in force available on the NSE's website (<http://www.nse-groupe.com>).

For the execution of the Deliverables, the Supplier undertakes to put in place and maintain a quality assurance system meeting the requirements of the Purchase Order. The Deliverables must satisfy the obligations imposed by applicable standards.

During the period of performance of the Purchase Order, the Supplier undertakes to allow NSE, its customers and representatives of the Official Authorities, free access to its premises and to any document for the purposes of inspection, subject to prior notice and during business hours. The Supplier shall not claim any compensation or damages from NSE for access to the Supplier's premises by the Official Authorities or by NSE.

It will obtain the same right from any subcontractors it uses. Under no circumstances may these inspections constitute acceptance of the Deliverable(s) in the process of production.

Supplier Quality Assurance:

The Supplier will satisfy the obligations provided by regulations governing Supplier quality assurance, and prescribed by any organisation named by NSE, in particular: NSE, its customers and the regulatory authorities in the relevant domain (e.g. DGA (French Directorate General of Armaments), EASA (European Aviation Safety Agency)).

The Supplier will:

- comply with the monitoring clauses contained in the Purchase Orders in respect of Deliverables monitored by these organisations,
- authorise among others these organisations or their representatives (e.g. OSAC (French Agency for Civil Aviation Safety) for the DGAC (French Civil Aviation Authority)) access to its establishments,
- assist with full transparency in any audit, survey or enquiry requested by these organisations and provide them with any relevant technical information on the requested monitoring action,
- inform NSE of the measures it will need to take in this respect.

Aircraft maintenance:

In the event that the Supplier is appointed by NSE to provide aircraft maintenance services in the Deliverable, the Supplier undertakes to:

- Obtain the approval of the Official Authorities;
- Provide the maintenance services for as long as the Deliverable remains active, unless otherwise agreed in writing by the Parties, and therefore to provide maintenance such that it is able to supply the necessary spare parts in accordance with the special terms and conditions negotiated with NSE. For this purpose, the Supplier must keep available for NSE a full list of the prices for the various parts and sub-assemblies of the Deliverables under the Purchase Orders. The consolidated total of the prices for each part must not exceed the total price of the complete Deliverable, net the cost of the assembly and partial and final test operations, as long as a series production of complete Deliverables is assured;
- Provide any necessary technical assistance to NSE or to the End Customer when general revisions or repairs of the Deliverables are made;
- Ensure that the parts returned to it for revision or repair are rotated within the deadlines negotiated with NSE.

3.6 Any modification made to the Purchase Order will be formalised by a supplemental agreement and its execution will begin only upon NSE's written instruction.

3.7 If one of the contractual documents of the Purchase Order states that the Deliverables are intended and/or serviceable for a market within the French State, the Supplier will comply with provisions applicable to French public procurement contracts as the subcontractor of a procurement contract and must pass on the obligations for which it is liable under these contracts to any subcontractors it uses.

If the Supplier participates in contracts with foreign public agencies, it will comply with the applicable constraints.

4. DELIVERY

4.1 Delivery of the Deliverables must meet the requirements listed in the Purchase Order to be complete.

4.2 Any delivery of a Deliverable must be accompanied, at the very least, by:

- the Certificate of Conformity required by the regulations in force (in particular standard EN9163, NF EN ISO/CEI 17050-1 and 17050-2) or equivalent. This must set out the restrictions relating to the Deliverables and the accompanying precautions for use.
- the delivery note affixed to the outside of the package, with a copy of the note inside the package, containing the following information:
 - ✓ Purchase Order Reference (number and date of the Purchase Order),
 - ✓ NSE's reference and the Supplier's reference,
 - ✓ Designation of the Deliverables,
 - ✓ Quantity delivered and/or gross or net weight,
 - ✓ Serial number and/or production batch number of the Deliverables supplied,
 - ✓ Detail of the returnable or invoiced packaging with details of the price and quantities,
 - ✓ Number of packages comprising the delivery,
 - ✓ Transporter (company name, contact details, contact person),
 - ✓ Address of the place of delivery indicated on the Purchase Order,
 - ✓ Storage conditions,
 - ✓ Any other information specified in the Purchase Order.

- 4.3 Unless otherwise provided in the Purchase Order, delivery will be DDP “Address of the NSE site for delivery” (as that term is defined in the International Chamber of Commerce Incoterms 2020 Edition).
- 4.4 The Deliverables must be correctly and adequately packaged by the Supplier, which will be liable for any deterioration, shortfalls and damage caused by inadequate packaging. The packaging must conform to the specifications defined in the Purchase Order and to professional standards and/or practices.
- 4.5 NSE reserves the right to refuse and return or keep on-site, at the expense and risk of the Supplier, any Deliverable that has not been the subject of a Purchase Order or a modification accepted by NSE (early delivery, excess quantity).

5. DEADLINES AND PENALTIES

- 5.1 Unless otherwise stated, the delivery periods will be fixed in the Purchase Order. The deadlines agreed by the Parties are binding and compliance with them constitutes an essential clause for NSE without which it would not have contracted.
- 5.2 If the Deliverables operations are likely to be delayed beyond the date fixed, the Supplier will immediately inform NSE and will specify in writing the measures it will take to minimise the consequences of its delay, together with the new proposed deadline; the Supplier will be liable for any additional expense resulting from this delay, except in the event of force majeure. In the case of non-compliance with the contractual deadlines, except for reasons attributable exclusively to NSE, NSE reserves the right:
- to apply late payment penalties as of right and without prior formal notice, unless provisions are otherwise agreed in a document signed by the Parties, equal to 0.5% of the total amount of the Purchase Order line affected by the delay, per calendar day of late payment; these penalties being capped at 15% of the amount (exclusive of tax) of the Purchase Order and/or
 - to terminate the Purchase Order in and according to the terms and conditions set out in Clause 20 “Termination” below, without any compensation being due to the Supplier.
- In general, these penalties may never be considered fixed compensation for the damage incurred by NSE. NSE reserves the option, following amicable negotiations, to bring legal proceedings to assert its rights in respect of all the pecuniary consequences of the Supplier’s failure to comply with the scheduling.
- 5.3 Early or partial delivery of the Deliverables shall require NSE’s prior written approval.

6. ACCEPTANCE AND NON-CONFORMITY

- 6.1 NSE has a period of thirty (30) days after delivery of the Deliverables to carry out the acceptance operations. Acceptance will be the subject of an acceptance report, which constitutes the start of the warranty period provided by Clause 10 “Warranty” below.
- 6.2 The Deliverables must be free of any defect and conform to all of the obligations designated in the Purchase Order as well as those prescribed by applicable laws and/or regulations.
- 6.3 NSE may verify the progress of execution of the Purchase Order before accepting the Deliverables, without such right having the effect of reducing the warranties granted by the Supplier.
- 6.4 The Supplier is responsible for complying with the provisions of section 226-3 of the French criminal code relating to the marketing of technical apparatus and devices capable of violating another’s privacy.
- 6.5 If the Deliverables do not conform to the terms and conditions set out in the Purchase Order, NSE has the right to refuse delivery of the Deliverables and undertakes to give prompt notice of such refusal to the Supplier, indicating the reasons for such refusal. NSE will not be indebted to the Supplier for any payment in respect of any rejected Deliverable(s). The Supplier must replace the non-conform Deliverables in accordance with the terms and conditions of Clause 10 “Warranty”.
- 6.6 For a period of seven (7) business days, the Supplier must record the non-conformities, propose corrective measures and pick up the present Deliverables at its cost and risk. Beyond these seven (7) businesses day period, the Deliverables will be returned to the Supplier at its expense and risk.
- 6.7 If a delivery is refused, without prejudice to the application of contractual penalties or any other damages, NSE reserves the right:
- to cancel the Purchase Order in whole or in part after having informed the Supplier; or
 - to require the Supplier, who so undertakes, to replace the rejected Deliverables in the terms and conditions set out in Clause 6.5 of these GPC, without such period being detrimental to NSE and in the initial terms and conditions of the Purchase Order; or
 - at the cost of the defaulting Supplier, to execute or cause execution of the Deliverables subject to the Purchase Order with any other Supplier.
- 6.8 If a delivery is refused as a result of the non-conformity of the Deliverables attributable to the Supplier, the Supplier may be charged a fixed management indemnity of €100, in addition to any other damages.
- 6.9 Any request for a derogation from the Supplier to NSE will also be invoiced to the Service Provider at five hundred euros (500). The request in no way guarantees approval and validation of delivery under derogation and in no way commits NSE or its end customer if this is to be submitted to the latter, on positive feedback regarding the request.

7. TRANSFER OF TITLE AND RISK

In the case of the purchase of Supplies, the transfer of ownership and risks takes place under the conditions of article 4.3 of these GCP, i.e. at the time of delivery of the said Product to the latter.

In the case of a service relating to a Product belonging to NSE or to its customer, the transfer of ownership of the components which may be integrated takes place as and when the Work is carried out. The risks shall be borne by the Supplier for as long as the latter retains control and custody of the Product belonging to NSE or its customer, i.e. from receipt by the Supplier of the said Product until physical handover of the Product to NSE.

The Supplier undertakes that no retention of title clause shall be stipulated by its own Suppliers for any element delivered by the said Suppliers and integrated into the Supply under the Order.

8. ENTRUSTED ASSETS

- 8.1 The Entrusted Assets are reserved exclusively for the performance of NSE Purchase Orders.
- 8.2 The Entrusted Assets remain the property of NSE or of the End Customer. They must be identified as such and stored in such a way as to avoid any confusion with the assets of the Supplier or of third parties. NSE's prior, written consent must be obtained for any modification or destruction of the Entrusted Assets.
- 8.3 The Supplier undertakes to send NSE in December of each year an inventory of the Entrusted Assets made available or financed by NSE. If the inventory is not sent to NSE as indicated above, the latter may draw up the inventory itself at the expense of the Supplier.
- 8.4 The Supplier undertakes to return the Entrusted Assets conform and in good condition, at NSE's first request. NSE and the Supplier will carry out a joint inventory when the Entrusted Assets are returned.
- 8.5 The Supplier must ensure that the Entrusted Assets are supervised and must take all adequate protection measures against any theft or damage of any nature whatsoever. If the Entrusted Assets are harmed by any person whatsoever, directly or indirectly, the Supplier must immediately inform NSE in writing, take all measures to defend the rights of the owner of the Entrusted Assets and bring an end to such harm. The Supplier expressly waives any lien it has by law on the Entrusted Assets.
- 8.6 The Supplier undertakes to have insurance covering the value of the Goods entrusted to it. The Supplier undertakes to provide the insurance certificate.

9. PRICE, INVOICING AND PAYMENT TERMS AND CONDITIONS

- 9.1 Unless otherwise agreed in a document signed by the Parties, the prices set out in the Purchase Order are understood to be firm and non-revisable, inclusive of all taxes and duties and exclusive of VAT. They include payment to the Supplier for all of its costs, expenses, charges, constraints and/or obligations of any kind.
- 9.2 The Supplier will draw up invoices in duplicate and must imperatively send them to the Accounts Department at the address named in the Purchase Order. Invoices must conform to the regulations in force and must contain the following information:
 - The reference or number of the Purchase Order;
 - A detailed description of the Deliverable as set out in the Purchase Order (Purchase Order line number, a full description, the number of items ordered and delivered, the serial number, the detailed pricing of each Deliverable, the currency conform to the Purchase Order, the country of origin and the customs code, if any);
 - The bank details of the account into which payment must be made;
 - The contact details (name, telephone number and email) of a correspondent to be contacted in the event of a claim on the invoice;
 - The date and delivery note number or acceptance report or Work report or any other event triggering an invoice as provided by the Purchase Order.
- 9.3 Payment shall be made within 45 days of the end of the month, with the exception of transport services within the meaning of Article L.441-10 of the French Commercial Code, which shall be paid within 30 days.
- 9.4 In the event of late payment, the Supplier will be entitled to receive late payment penalties, at a rate equal to three times the legal interest rate applicable in France, plus a lump sum of forty (40) euros as a recovery charge, in accordance with the provisions of Section L.441-10 of the French Commercial Code.

The payment period will begin to run with effect from the date of issue of the invoice, which must be delivered upon completion of the sale or supply of services (the date of issue of the invoice may not precede the date of delivery or completion of the Deliverable, conform to the specifications of the Purchase Order).
- 9.5 In the event of non-conformity to the requirements of the Purchase Order, NSE will be entitled to reject an invoice. In that situation, the invoice may be returned to the Supplier with details of the non-conformities. In this event, the Supplier will issue a new invoice; the payment period will begin to run with effect from the date of issue of this new invoice.

10. WARRANTY

- 10.1 The Supplier warrants that the Deliverable conforms to the specifications, terms and conditions and requirements of the Purchase Order. The Supplier guarantees the Deliverable against any defect in design, manufacture, operation or any defects in materials and component parts.
- 10.2 Unless otherwise agreed by the Parties, the warranty period shall be two (2) years from the date of final acceptance of the Deliverable, without price supplement. It will cover any restoration or replacement of the Product or correction of the Service or the refund of the Product or Service. The warranty extends to parts, labour, transport and travel. It also includes costs of disassembly (in particular of equipment integrated with the Deliverable), handling, customs and reassembly of the parts. The present warranty clause is without prejudice to compensation for damage incurred by NSE.
- 10.3 Unless otherwise agreed by the Parties, replacements or repairs of the Deliverables under the warranties provided by the present Clause must be completed within a maximum period of fourteen (14) days from NSE's written notice of the non-conformity. If a Deliverable includes several sub-assemblies, the Supplier must correct the anomalies at its expense and assume liability for any damage caused by such defects or malfunction in other sub-assemblies within the Deliverable.
- 10.4 Any product replaced or repaired or any service corrected will be covered, in the same terms and conditions as above, up until expiry of the initial warranty, or, at the very least, for a period of twelve (12) months from the time the Deliverable is brought into conformity. In the event that the Supplier fails to perform its warranty obligation, NSE will be entitled to execute or cause execution of the necessary Work by a third party, at the expense of the Supplier. The Supplier shall remain liable for any damage relating to the defective Deliverable incurred by NSE and/or its customers (e.g. loss of profits, damages, penalties borne by NSE).

11. CONTINUITY OF THE DELIVERABLES

- 11.1 The Supplier undertakes to inform NSE at least twelve (12) months before manufacturing ceases or it withdraws its catalogue from the Deliverable.
- 11.2 The Supplier undertakes to put in place a business continuity plan for Purchase Orders of Deliverables, the performance of which is spread out over time. Such a plan will define the measures to be taken with a view to continuing performance of the Purchase Order if an event likely to prevent its performance arises.

12. INTELLECTUAL PROPERTY RIGHTS

- 12.1 If the Purchase Order incorporates a development post, the Results of any kind obtained from performance of the Deliverables, including research resulting from the execution of the Purchase Order, whether or not protectable by intellectual property rights are, as each one is executed, the exclusive property of NSE. The Supplier undertakes to deliver such Results to NSE.
- 12.2 In this respect, if the Results contain copyright, the Supplier shall assign all the author's property rights attached to such Results to NSE exclusively and definitively, for the statutory duration of the copyright and in respect of the whole world. These rights shall include the rights of reproduction, representation, modification, adaptation, translation and commercialization in all forms, in whole or in part, by any means and on any known or future media.
- 12.3 The Supplier undertakes not to enforce its intellectual property rights against it, to the extent that they are necessary for exploiting the Deliverables under the Purchase Order.
- 12.4 The Supplier is prohibited from using intellectual property rights belonging to a third party to execute the subject matter of the Purchase Order, without the prior approval of that third party. The Supplier shall be exclusively liable for any fees or charges due for such use.
- 12.5 The Supplier fully guarantees NSE against any claim brought by one or more third parties against NSE in any location whatsoever, relating to an infringement of intellectual property rights resulting from the Deliverables under the Purchase Order and/or their exploitation/use. NSE will immediately inform the Supplier of any claims of such nature. In the event of any legal proceedings, substantiated or not, the Supplier undertakes under the above warranty, at NSE's request, to either collaborate with and actively assist NSE during the proceedings, or to immediately and voluntarily participate in and assure the supervision of the proceedings. In the event of out-of-court claims, whether substantiated or not, the Supplier undertakes to take all necessary measures to resolve the dispute with the third party, while keeping NSE informed.
- 12.6 Without prejudice to NSE's right to terminate the Purchase Order, should NSE be required to cease the use of all or part of the Deliverable, the Supplier undertakes to immediately implement, in every case at its own expense, one of the following remedies:
- obtain a right of free use of the Deliverable from NSE,
 - replace or modify the Deliverable such that the rights of use can no longer be disputed.
- It is specified that the Supplier undertakes to recover at its own expense any infringing Deliverable(s) that have already been delivered and stored. In all circumstances, the above modifications and/or replacements must comply with all the particulars set out in the contractual documents of the Purchase Order.
- In the context of the above claims, the Supplier will promptly reimburse NSE, at its first demand, all the sums/expenses borne by NSE for whatever reason, including costs, fees and damages.
- 12.7 The price designated in the Purchase Order includes the price for the assignment of the rights set out in Clause 12.1 of these GPC, together with all the Supplier's other undertakings under the present Clause 12 "Intellectual property Rights" including that which relates to the non-enforcement provided in Clause 12.3 of these GPC.

13. LIABILITY - INSURANCE

- 13.1 The Supplier is liable for any damage or loss incurred by NSE or any third party due to any non-performance or poor performance of the Purchase Order. The Supplier will therefore compensate NSE for any prejudice it incurs, including repair and/or replacement costs resulting from damage or loss caused to the Entrusted Assets. Any assistance that NSE may bring to the Supplier for performance of the Deliverable or inspections that NSE is entitled to carry out does not discharge the Supplier's liability with respect to the Deliverable in any way.
- 13.2 The Supplier undertakes to purchase, from financially sound and reputable insurance companies, and maintain in force, the insurance policies required to cover its risks and liabilities both under ordinary law and under its contractual undertakings.
- 13.3 The Supplier must have general and professional civil liability insurance that will cover, for the duration of the Purchase Order:
- its professional activity in general,
 - its activity at the work sites for the tasks or Work assigned by NSE,
 - Damage of any kind caused to third parties,
 - Damage of any kind caused by the Deliverables after delivery,
 - Damage caused to the assets entrusted to it by NSE from the time they are made available and for as long as it has disposal of them.

In addition, in performance of an aeronautical-based Deliverable, the Supplier must have a "Civil Aeronautical Product Liability" insurance policy covering an amount to be approved by NSE before any execution of the Purchase Order and which corresponds to the criticality of the Deliverable under the Purchase Order.

At NSE's first request, the Supplier must provide evidence that the insurance policies concerned by the execution of the order (general liability / aero...) it has purchased are valid by producing certificates issued by its insurers, setting out the nature and amount of the cover granted. As long as its contractual obligations remain in force, the Supplier must produce the insurance renewal certificates on an annual basis, until they expire. In the event of insufficient cover, NSE may require the Supplier to purchase additional cover. In addition, when

the Entrusted Assets made available by NSE to the Supplier are situated in the Supplier's premises, the latter undertakes to purchase "Comprehensive Industrial Risk" or "multi-risk damage to property and operating loss" insurance covering all damage it may cause the Entrusted Assets, whatever the source of the damage. Any insurance purchased by NSE will come into play only as additional cover to the Supplier's insurance policy. It is specified that the sub-restrictions and excesses contained in the insurance policies purchased by the Supplier cannot be enforced against NSE.

Neither the Supplier's delivery of the insurance certificates nor the content of the insurance policies purchased by the Supplier can limit the Supplier's liability.

14. COMPLIANCE WITH RESPONSIBLE PURCHASING PRINCIPLES

The Supplier undertakes to comply with the obligations set out in the NSE Responsible Purchasing Charter available on the NSE website (<http://www.nse-groupe.com>) in the version in force on the date of the order or contract.

In the event of failure to comply with the obligations contained in the Responsible Purchasing Charter, NSE may terminate the Order(s) in progress with immediate effect and without compensation, without prejudice to any recourse against the Supplier.

15. COMPLIANCE WITH PROVISIONS RELATING TO THE ENVIRONMENT AND TO THE PREVENTION OCCUPATIONAL RISKS

- 15.1** The Deliverable must conform to international, European, national and local regulations and with current health, safety and environmental standards including (inter-alia) those relating to hazardous substances and preparations ((EC) Regulation no. 1907/2006 of the European Parliament and the Council of 18 December 2006 concerning the registration, evaluation, authorisation and restriction of chemicals (REACH), RoHs, asbestos, radioactive sources etc.) including for the shipment of hazardous materials, waste (packaging, Directive 2011/65/UE of the European Parliament and of the Council of 8 June 2011 on the restriction of the use of certain hazardous substances in electrical and electronic equipment (DEEE) energy consumption and natural resources, carbon footprint, noise, electrical protection, fire, electromagnetic/ionising/optical radiation, vibrations, all personal safety and security regulations and any other harm. The same shall apply for the exercise of the Supplier's business activities, as well as the Border Carbon Adjustment Mechanism. The Supplier must provide NSE with all the documentation necessary to comply with the various obligations, including the HS Code and all the certificates attesting in particular to compliance with entry into the territory of the European Union, consumption of energy and natural resources, carbon footprint, noise, electrical protection, fire, electromagnetic/ionising/optical radiation, vibrations, all personal safety rules and any other nuisance. The same shall apply to the Supplier's activities etc.
- 15.2** The Supplier undertakes to inform NSE of any non-conformity with the above regulations and will compensate NSE for any consequences resulting from the Supplier's non-compliance with the obligation set out in this clause. The specific recommendations/instructions relating to any such non-conformities must be furnished to NSE to ensure the safe use and disposal of the Deliverable over its whole life cycle, including end-of-life.
- 15.3** If the Supplier is located outside the Market of the European Union, in the case of a delivery in the Market of the European Union, it is nevertheless the Supplier's responsibility to ensure the compliance of its Supply with these regulations and directives and to produce the required accompanying documents, unless explicitly specified otherwise by NSE. In the case of EC marking, the Supplier must communicate the EC Certificate with the indication that this certificate is up to date with the European provisions in force on the date of its communication.
- 15.4** The Supplier undertakes to comply with NSE's internal safety regulations whenever it is called to work on an NSE site.
- 15.5** The Supplier undertakes to impose the same obligations as those described above on its own Suppliers and subcontractors.
- 15.6** The Supplier undertakes to furnish NSE upon delivery of the Deliverable with the information it possesses to enable the Deliverable to be used safely.
- 15.7** The Supplier undertakes to inform NSE of any amendment to applicable laws, regulations or standards affecting the terms and conditions of delivery or execution of the Deliverable.

16. CONFIDENTIALITY

- 16.1** Any information that the Supplier receives from NSE for the performance of the Purchase Order or to which the Supplier may have access by its presence on NSE premises must be considered strictly confidential, without it being necessary for NSE to specify or highlight its confidential nature (the "Confidential Information"). The Results shall be considered NSE's Confidential Information.
- 16.2** The Confidential Information shall remain the property of NSE, subject to the rights of third parties. If NSE discloses Confidential Information, this will not, under any circumstances, be interpreted as conferring on the Supplier any express or implied right whatsoever (upon expiry of a licence or by any other means) in such Confidential Information.
- 16.3** The Supplier undertakes to:
- use the Confidential Information solely for the purposes of performing the Purchase Order;
 - disclose the Confidential Information solely to the members of its personnel directly involved in performance of the Purchase Order and only to the extent that such disclosure is necessary for its performance;
 - refrain from divulging the Confidential Information or making it available, in whole or in part, to third parties without NSE's prior written consent;

- cause the confidentiality obligations for which it is liable under the present Clause 16 “Confidentiality” to be respected by its personnel and any other person authorised by NSE to access the Confidential Information.
- 16.4** However, the above obligations shall not apply to Confidential Information that:
- has already entered the public domain prior to its disclosure, or subsequent to disclosure where no fault is attributable to the Supplier;
 - when the Supplier received it, was already rightfully in its possession, provided that it is able to provide proof in the form of a written document;
 - was rightfully acquired from third parties, which had the right to disclose such information, and of which the Supplier can provide proof.
- 16.5** If the Supplier is obliged, in accordance with a law or a binding judicial or administrative decision, to disclose NSE’s Confidential Information, it must inform NSE immediately and ask the individuals or entities to which such Information must be disclosed to treat it as confidential.
- 16.6** In the event of the termination of the Purchase Order for whatever reason or its expiry, the Supplier undertakes to return the Confidential Information to NSE immediately and/or destroy any medium containing all or part of the Confidential Information. The Supplier will provide NSE with a certificate attesting to the full restitution or destruction. Such restitution or destruction will not discharge the Supplier from its confidentiality obligations under this Clause.
- 16.7** NSE will identify all the classified Confidential Information as such at the time of its disclosure. This Confidential Information must be protected and used in compliance with the security procedures prescribed by the Authorities concerned.
- 16.8** The Supplier undertakes not to publish any article or advertisement relating to the Purchase Order and/or the Deliverable and/or any other information connected with its business with NSE without the prior written consent of NSE. Similarly, NSE undertakes not to publish any article or advertisement relating to the Purchase Order and/or the Deliverable and/or any other information connected with its business with the Supplier without the prior written consent of the Supplier.
- 16.9** Unless otherwise stated in the Purchase Order, the confidentiality obligations provided in the present Clause shall remain in force for the entire performance period of the Purchase Order and for a period of ten (10) years from the end of the Deliverable’s warranty period. However, in respect of the Results subject to intellectual property rights, the confidentiality obligations shall remain in force for the entire performance period of the Purchase Order and for the whole of the statutory protection period relating to intellectual property rights.
- 16.10** If Confidential Information belonging to a third party has to be disclosed to the Supplier, any more restrictive confidentiality requirements imposed by such third party will be passed on to the Supplier.
- 16.11** To ensure the security of NSE’s Confidential Information and of its media, the Supplier will take all necessary precautions to protect them, in particular by using computer access control and encryption methods.
- 16.12** For its part, NSE undertakes to comply with the same confidentiality obligations relating to information provided by the Supplier and expressly stated to be confidential. It is specified that the information to which NSE may have access during visits to the Supplier’s premises will be considered confidential. These confidentiality obligations will be subject to the exceptions provided in Clause 16.4 above (replacing the term “Supplier” by “NSE” in that Clause).

17. FORCE MAJEURE

Each Party must immediately inform the other Party, with confirmation by written notice, by no later than five (5) days from an event of force majeure preventing it from executing its obligations under the contractual documents. The obligations rendered impossible to perform due to the event of force majeure will be suspended for the duration of the event, subject to the provisions of Clause 20 “Termination”.

The Party invoking the force majeure undertakes to take all measures to limit the harmful effects of the event for the other Party.

For application of this clause, only an event simultaneously meeting all of the conditions of Section 1218 of the French Civil Code can be considered to constitute an event of force majeure.

The Supplier may only invoke the delays of its own Suppliers or subcontractors when the cause of such delays may be considered an event of force majeure in accordance with this clause.

18. TRANSFER-ASSIGNMENT – SUB-CONTRACTING

- 18.1** The Supplier undertakes not to transfer or assign all or part of the Purchase Order to a third party without NSE’s prior written consent, including in the event of a merger, demerger or partial business transfer. If consent is obtained, the transferee will be considered a fully-fledged Supplier and must, in this respect, conform to all the terms and conditions provided by the contractual documents.
- 18.2** This clause does not prohibit the Supplier from assigning the receivables it is owed by NSE to third parties.
- 18.3** If the Supplier is authorised to subcontract, it undertakes to pass on the obligations contained in the contractual documents to its subcontractors. Notwithstanding NSE’s consent to the subcontracting, the Supplier shall remain solely liable with respect to NSE for completion of the subcontracted Deliverable and may not rely upon the potential failures of its subcontractors to limit its liability.

19. EXPORT CONTROL

- 19.1** The Parties undertake to comply with the export control laws and regulations applicable to the Deliverable (including its components), and to the software, information and products that the Parties may deliver to each other in the context of the Purchase Order.
- 19.2** The Supplier undertakes to inform the other Party of the classification relating to the export control for the above items, and undertakes to notify it of any change – or proposed change – of such classification, by no later than fifteen (15) days after the occurrence of this evolution.

- 19.3** In the event that the export or re-export of all or part of the Deliverable is subject to obtaining an export licence, the Supplier undertakes to apply to the relevant governmental authorities, without any cost to NSE, for any government licence or authorisation required for NSE to use the Deliverable and to deliver it to customers or any other end user that NSE names to the Supplier. The Supplier undertakes to notify NSE as soon as the relevant governmental authorities issue the export licence, or there is a dispensation, and to furnish it with a copy of the licence or certificate defining in particular the restrictions applying to the re-export or re-assignment of all or part of the Deliverable by NSE to a third party. It is specified that the Supplier's notification to NSE of the classification of all or part of the Deliverable and the issue of the export licence mentioned above constitute conditions precedent to the entry into force of the Purchase Order.
- 19.4** The Supplier undertakes to put in place all necessary security measures to avoid the transfer, by whatever means, of information provided by NSE and identified as being subject to export control laws and regulations, to any person unauthorised to access such information, by a dispensation or by an export licence granted by the relevant governmental authorities. In this respect, it is recalled that all Regulations imposing restrictions on the free movement of goods or sanctions against Countries or entities are mandatory. Thus, the Supplier and/or its own suppliers undertake, in particular, to comply with all French or foreign restrictions on the export or re-export of Products and to ensure that there is no violation, by means of a monitoring and transparency system, of the prohibition on delivery to a prohibited final destination, including Russia (Regulation (EU) No 833/2014.) and not to provide any financial advantage whatsoever to any persons who are subject to a measure freezing assets and/or economic resources by the competent Authorities.
- 19.5** If the export licence is withdrawn, not renewed or invalidated as a result of the Supplier, NSE reserves the right to terminate the Purchase Order as of right, notwithstanding its right to claim compensation for damage incurred as a result of such non-performance. In this respect, it is specified that, in accordance with regulations, any order or contract relating to military products shall be subject to the suspensive condition of obtaining an export or transfer licence. Furthermore, any order or contract relating to dual-use products shall be subject to the resolute condition of obtaining an export or transfer licence.
- 19.6** If it fails to fulfil its export control obligations, the Supplier will be liable to compensate any damage caused to NSE and to its customers in the execution of the Purchase Order, in the use or in the exploitation of all or part of the Deliverables. The Supplier undertakes to assume the defence of NSE and/or its customers in respect of any action or legal proceedings brought by the relevant export control authorities and of any consequences, including any resulting costs, expenses and damages they incur.

20. TERMINATION

- 20.1** Either Party may terminate the Purchase Order as of right by sending the other Party a registered letter with acknowledgement of receipt in the following cases:
- if the other Party fails to perform any of its contractual obligations after formal notice sent by registered letter with acknowledgement of receipt remains without remedy for thirty (30) days;
 - if the other Party fails to perform its obligations following an event of force majeure exceeding a duration of one month from its notification to the other Party, or resulting in a delay justifying the termination of the Purchase Order, or preventing performance of the Purchase Order definitively;
- In addition, NSE may terminate the Purchase Order as of right by sending the Supplier a registered letter with acknowledgement of receipt in the following cases:
- with immediate effect and without prior formal notice if the Supplier does not comply with one of its obligations set out in Clauses 14 "Compliance with Responsible Purchasing Principles" and/or 19 "Export Control" of the present GPC and more generally if the Supplier breaches any of its contractual obligations, which it is not able to remedy;
 - subject to thirty (30) days' notice if the Supplier's share capital is taken over by one of NSE's competitors or in the event of a significant change in the industrial organisation of the Supplier that could detrimentally affect the proper performance of the Purchase Order (such as a production transfer).
 - in the event that the Contract between NSE and its customer, on which the order(s) is (are) based, is terminated in whole or in part through no fault of the Parties, NSE may terminate the Contract or all or part of the Order by registered letter with effect within thirty (30) days.
- 20.2** NSE shall provide a balance sheet including in particular all advance payments to be returned and penalties due by the Supplier. The Supplier may send its Balance Sheet to NSE within fifteen (15) days. NSE shall enter in the Balance Sheet all sums owed by NSE, in particular the Work accepted. The Supplier shall not be entitled to claim any damages or any other compensation for this termination clause.
- 20.3** If NSE terminates the Purchase Order due to the Supplier's fault, NSE reserves the right to perform or cause performance of all or part of the Purchase Order at the cost of the Supplier. In this regard, the Supplier undertakes, at NSE's request, to send the latter or any third party it designates all the elements required to complete the Deliverable.
- 20.4** On expiry of the Purchase Order, or following its termination for whatever reason, the Supplier must return, at its expense and within eight days, all the Entrusted Assets and Documentation that it has not already returned.
- 20.5** In every event of termination on whatever grounds, either Party shall remain bound to fulfil its contractual obligations up until the effective date of the termination, without prejudice to damages that the complaining Party may obtain for the loss incurred due to the defaulting Party's non-performance of its obligations set out in the contractual documents.
- In addition, if the Supplier is the only source of supply for NSE, the latter may postpone the effective date of the termination until an alternative source is in place, in which case the Supplier undertakes to continue execution of the Purchase Orders in the contractual terms and conditions.

21. PROCESSING OF PERSONAL DATA

- 21.1** Each Parties shall ensure compliance with Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of individuals with regard to the processing of personal data and on the free movement of such data, (General Data Protection Regulation) (hereinafter the GDPR) as well as with any applicable national legislation concerning personal data (hereinafter the Data).
- 21.2** The Parties will transmit Data to each other in the course of their exchanges. Each of the Parties undertakes to use the Data in a manner that is adequate, relevant and limited to the sole purpose of the processing.
- 21.3** The Parties undertake to implement all necessary measures to ensure the protection of the Data and to adapt the measures in the event of new Data being collected or processed. At any time during the term of the Purchase Order, either party may request the other to take all necessary measures to protect the Data. The Parties undertake to inform the persons concerned of the exercise of their rights, in particular the right of access, rectification and opposition. In this respect, the Parties undertake to comply with the requests of the persons concerned.
- 21.4** The Data may not be transmitted to a third party without the prior written consent of the Party holding the Data. In the event of a written agreement between the Parties for the transmission of Data, the Party initiating the transmission to a third party must have a written agreement with the third party which complies with the legislation and these GPC.
- 21.5** The Parties shall ensure that the Data is automatically deleted as soon as the purpose of the processing is no longer required.
- 21.6** Parties that send Data outside European Union countries or countries that are not adequate within the meaning of the GDPR shall apply the necessary measures to ensure a sufficient and appropriate level of Data protection. Where necessary, the Parties will have to frame the transfers by relevant legal tools.
- 21.7** For any request or complaint, the Supplier may contact the Data Protection Officer by writing to the following address: rgpd@nse-groupe.com.
- 21.8** Each Party must notify the other Party of any possible Data breaches, particularly in the event of a cyber-attack. The Parties will provide the other Party with the GDPR contact in charge of data protection.

22. GENERAL PROVISIONS

- 22.1** *Severability*: If any provision of the Purchase Order is invalid or unenforceable for any reason whatsoever, the other provisions shall not be affected by the invalid or unenforceable provision. The Parties undertake in such event to renegotiate the invalid or unenforceable provision and replace it with a valid provision as nearly as possible to the original intention of the Parties, in accordance with the applicable laws.
- 22.2** *No waiver*: The fact that one of the Parties does not use a provision contained in the Purchase Order at any point in time or demand the use of such provision by the other Party shall not constitute waiver of that provision, or of another provision, nor affect the validity of the Purchase Order, nor the right of each Party to continue to assert such provision or the Purchase Order itself at a later date.
- 22.3** *Counterfeiting*: The Supplier shall implement and maintain effective methods and processes appropriate to its business to minimise the risk of counterfeit parts and materials being introduced into the product delivered to NSE. In addition, in the event of delivery under warranty of a product containing a counterfeit sub-assembly, the Supplier shall inform NSE and remove the counterfeit sub-assembly from the product without delay.
- 22.4** *Security*: Pursuant to the legislative and regulatory provisions on the protection of national defence secrets, all employees of one of the Parties undertake to comply with the measures prescribed to ensure the protection at all times of classified information and media which may be held by or intended for their employer (the Parties hereto).
- 22.5** *Conflict minerals*: The Supplier shall comply with all applicable laws and regulations regarding the sourcing of minerals (such as tin, tungsten, tantalum and gold) from conflict zones. In addition, the Supplier shall establish a policy to reasonably ensure that the tin, tungsten, tantalum and gold contained in the products it manufactures are not used to finance, directly or indirectly, armed groups whose activities are contrary to human rights. The Supplier shall also, as may be required by law, exercise due diligence in the sourcing and traceability of minerals and consequently require the same diligence from their Suppliers.

23. APPLICABLE LAW – JURISDICTION

- 23.1** The Purchase Order is governed by French law.
- 23.2** The Parties expressly agree that any dispute arising from the interpretation or execution of the Contract and/or these General Conditions will be submitted, failing amicable settlement, to the materially competent jurisdiction within the jurisdiction of the registered office of NSE, or from any of NSE establishments.
- 23.3** However, before referring the matter to the court, the Parties may agree by mutual consent to resort to mediation.