SAFRAN

ELECTRONICS & DEFENSE

ARMADA DE LA REPÚBLICA DE COLOMBIA (ARC)

To the attention of
Señor Capitan de Navio Edwin Andrés Alonso Toloza
Director de Armas Navales y Electrónica de la Armada Nacional de Colombia

Paris, October 31st 2025

Y/Correspondent: Antoine Liénard

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N/REF: N&T/AL/274-2025

SUBJECT: Supply of Inertial Navigation System **ARGONYX**

Dear Captain Alonso,

We are pleased to send you herewith our offer regarding Inertial Navigation System (INS) **Argonyx** for naval applications.

Using Hemispheric Resonating Gyros (HRG), **Argonyx** provides End-users with the robustness and the reliability of space technologies (HRG technology was originally used by Northrop Grumman and Safran Electronics & Defense in Space Applications) for marine applications.

As historical supplier to major NATO Navies and others worldwide Navies for surface ship and submarine applications, Safran Electronics & Defense Hemispherical Resonator Gyro (HRG) technology for Inertial Navigation Systems application offers highly reliable and superior solutions for navigation and Weapon stabilization applications such as missile systems and weaponry.

HRG technology is presently the best proven, modern and most reliable solution with the best total cost of ownership on the market to meet Military standard requirements and offer a system meeting high performance in extreme environmental stress.

This world's most compact equipment will bring you the strong benefits of a high reliability, a high performance, guaranteed life support, and best value for money.

Remaining at your disposal for any information you may need, we confirm our willingness to provide you with our best products and services.

Faithfully yours,

Anne-Hélène BRUNE
VP Sales Navigation and Defense

SAFRAN

ELECTRONICS & DEFENSE

SUPPLY OF INERTIAL NAVIGATION SYSTEM ARGONYX

OFFER N° N&T/AL/274-2025

Made by **SAFRAN ELECTRONICS & DEFENSE**

55 BOULEVARD CHARLES DE GAULLE

92240 MALAKOFF

FRANCE

Hereinafter called the "Supplier"

To **ARMADA DE LA REPÚBLICA DE COLOMBIA**

Hereinafter called the "Buyer"

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1. ARGONYX: THE INS FOR MILITARY SHIPS



ARGONYX PRODUCT

Quick availability and accuracy independent from all GPS or external sensors are the ever demanding requirements for combat system designers. Thanks to modern technology and large series production of HRG based systems, Safran Electronics & Defense proposes for all new designs or modernisation projects a very cost effective solution. Improved availability of full performance is amplified by architecture simplification, easier operational use and maintenance simplification.

Argonyx guarantees Inertial Navigation performance from 1Nm/4h to 1Nm/72h for surface ships. Based on a modular concept it offers improved operational availability and reduced life-cycle costs. The interface control document of the unit is Safran Electronics & Defense's standard Interface Control Document.

Strap down and Very compact Argonyx elaborates and transmits through its integrated interfacing inputs / outputs facility the following information:

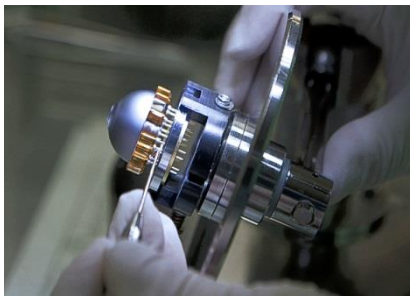
- Attitude - heading, roll and pitch and their angular rates
- Position - latitude, longitude and depth with COG, SOG, Set & Drift.
- Horizontal and vertical linear velocities

Argonyx is a Military off the shelf (MOTS) equipment designed according to Mil Specs.

Main charateristics
Weight ➔ < 14 kg
Dimensions ➔ 253 x 262 x 413,6
Low Power consumption ➔ 25W
Operating Temperature ➔ -10°C to + 55°C
IMO and MIL-STD certified
MTBF > 200,000 hours

The 4th generation of inertial sensor technology is the vibrating sensor named HRG (Hemispherical Resonator Gyro). This technology has been in development in Safran Electronics & Defense for 15 years and is now a ready proven and qualified product for submarine and surface ship requiring

high performing navigation systems. HRG Technology is currently used by Safran Electronics & Defense and NORTHROP GRUMMAN in space applications and used by Safran Electronics & Defense and Raytheon Anschütz in naval applications.



- **A reliability oriented technology**
- **A production oriented technology**
- **A performance oriented technology**

The HRG technology received the “Chanson Prize Award (Chanson Prize Award is a Price awarded by the French MOD for the best innovation of the year) from the DGA in 2004 & is backed by the French DGA for being the 21st century gyroscope technology in all major platforms on marine, land and air applications.

This HRG technology is presently used by Safran Electronics & Defense with architecture for Guidance applications.

Safran Electronics & Defense has always invested a significant proportion of its turnover in R&D, to be at the top of the technology. This long term view policy ensures that Safran Electronics & Defense will always be able to provide its customers with state of the art technologies for their navigation needs.

1. FULL PERFORMANCEC IN 15 MINUTES

Modern threats require fast reactions. Argonyx gives full attitude and position performance in 15 min at dock, 30 min at sea, where the former generations of inertial platforms required up to 24 hours.

2. WHERE WEIGHT & SPACE COUNT

Argonyx is the smallest & lightest INS in the world. Below 14 kg (and around 18 kg with internal magnetic shielding), Argonyx is the answer to the never ending installation challenge of ship designers.

3. QUIETNESS OF THE USER AND THE MAINTAINER – 200 000 H MTBF

With more than 200 000H MTBF, a single Argonyx gives an average probability over 97% of success during a 45 day mission without any on board spare. This allows to propose a 4 year warranty from delivery.

4. STRAP DOWN & NO PREVENTIVE MAINTENANCE

Argonyx is a full solid-state device. No moving part, no slip ring: no scheduled preventive maintenance, giving improved operational availability and cost savings.

2. PRICES

In accordance with the terms and conditions of this commercial proposal, the Supplier undertakes to manufacture and deliver to the Buyer, and the Buyer undertakes to take over and to pay the items mentioned in the hereafter table.

1. ARGONYX PRICES

DESIGNATION	Quantity	Unit Price (in Euros)	Total Price (in Euros)
A- EQUIPMENT			
A.1. ARGONYX SP-8 (1Nm/8h) including : - Inertial Unit (INU) - Pre-FAT - Installation kit (including connectors, backshell & CDU cable, excluding all other cables) - Technical Documentation (User Maintenance, installation manuals, ICD + CD Roms) - Integrated Logistics Support **within the Warranty period**	2	97 850 €	195 700 €
A.2. Control and Display Unit (CDU) 10,4”	1	7 210 €	OPTIONAL
A.3. Control and Display Unit (CDU) 15” IP22	1	9 785 €	OPTIONAL
A.4. One year extra warranty (ILS included)	1	3 296 €	OPTIONAL
A.5. FAT (Factory Acceptance Test) In presence of Customer personnel in Safran Electronics & Defense premises (travel and accommodation expenses of the attendees are not included).		12 360 €	OPTIONAL

2. SIGMA 40 PRICES

3. SERVICES

DESIGNATION	Quantity	Unit Price (in Euros)	Total Price (in Euros)
B- SERVICES			
B.1. Installation, STW – HAT in Colombia 5 days mission in Colombia	1	27 535 €	**27 535 €**
B.2. SAT in Colombia (3 days mission)	1	17 622 €	17 622 €
Man day rate in Colombia		3 100 €	OPTIONAL

3. TERMS AND CONDITIONS

1. PRICES CONDITIONS

The prices of Article 3 of this proposal are in Euro fixed and firm to the extent the ensuing contract or purchase order comes into force during the validity period of the proposal i.e. **before 31st March 2026 and delivery in 2026. For deliveries starting from 2027, the following formula will apply (see 4.2.).**

They are without VAT, export packing included, FCA Paris defined in the 2010 edition of INCOTERMS published by the International Chamber of Commerce.

Any taxes bank charges, duties, customs charges, deductions including all clearing and handling charges or any local charges whatsoever which may be claimed, collected or retained in the buyer's country by any authority, central or local, and/or any entity, official or non-official, are not included in the prices and will be at the buyer's charge.

They do not include:

- Any kind of support or hull reinforcement to support the material,
- The cabling /wiring of equipment on board,
- The supply of electrical power and interconnecting cables, except those which are mentioned in the technical specifications.

2. VARIATION OF PRICE

1. VARIATION OF PRICE FORMULA

The formula applied for the variation of price will be as follows:

$$P = P_0\left(0.25\frac{PsdG2}{PsdG2_0} + 0.75\frac{Sw}{Sw_0}\right)$$

2. DETERMINATION OF INDEXES

- P stands for adjusted price of each lot at the time of delivery or execution of service
- SwIMEstands for the index of the cost of labour, published by the government of France
- PsdG2 stands for index of miscellaneous products and services "G2", published by the government of France
- X_1 (where Xis P, or Sw, or PsdG2) is the revised value
- X_0 ((where Xis P, or Sw, or PsdG2) is the reference value

3. PAYMENTS

1. FOR EQUIPMENT

Down Payment in Euros: 30% at T0, by wire transfer at due date, i.e. within 30 calendar days from invoice date to the bank account mentioned here after against a bank guarantee,

Balance: 70 % at delivery, by irrevocable Letter of Credit which will have to be opened at the latest thirty days (30) days before the delivery of the deliverables, against the following documents

Packing list, Invoice, Certificate of origin

The letter of credit will be opened by a first class bank advised through:

Beneficiary Name: Safran Electronics & Defense

Bank Name: CA-CIB

Bank Address: 12 place des Etats Unis CS 70052 92547 Montrouge Cedex - FRANCE

IBAN: FR76 3148 9000 1000 0559 2525 347

BIC: BSUIFRPP

Each Party shall bear its own bank charges.

Customer shall specify for each payment the reference of the Safran Electronics & Defense's invoice.

All expenses connected with establishment of the Letter of Credit in Italy will be borne by the Buyer and those outside Italia will be borne by the Seller.

Where the extension of the validity of Letter of Credit is necessary, the Bank charges for extension shall be borne by the party whose default causes such an extension.

Customer shall specify for each payment the reference of the Safran Electronics & Defense's invoice.

In case the letter of Credit is not opened 4 months after the sending date of the FAT Calling Letter, Safran Electronics & Defense shall apply penalties to the buyer.

2. FOR SERVICES

Down Payment in Euros: 50% at T0, by wire transfer at due date, i.e. within 30 calendar days from invoice date to the bank account mentioned here after

Balance: 50 % at delivery, , by wire transfer at due date, i.e. within 30 calendar days from invoice date to the bank account mentioned here after

Beneficiary Name: Safran Electronics & Defense

Bank Name: CA-CIB

Bank Address: 12 place des Etats Unis CS 70052 92547 Montrouge Cedex - FRANCE

IBAN: FR76 3148 9000 1000 0559 2525 347

BIC: BSUIFRPP

Each Party shall bear its own bank charges.

Customer shall specify for each payment the reference of the Safran Electronics & Defense's invoice.

4. DATE OF CONTRACT TAKING EFFECT (T0)

In case of this proposal giving rise to a contract, it will take effect after receipt of down payment.

5. DELIVERIES & DELIVERY SCHEDULE

Our standard delivery time is 9 months after T0 but can be reduced on case to case basis.

Delivery on time is linked to the full completion of the EUC and documents.

6. DELAY IN DELIVERY

Safran Electronics & Defense's liability for late delivery or the deliverable items shall be limited to the payment of liquidated damages, as follows:

The liquidated damages shall amount to 0,5% of the price of the delayed product per completed week of delay after the expiry of a thirty (30) days grace period, up to a maximum of five percent (5%) of such price ;

The liquidated damages are a genuine pre-estimate of all costs, expenses and damages suffered or incurred by the Buyer as a result of the delay and accordingly are in full satisfaction for Safran Electronics & Defense's delay liability and are exclusive and in lieu of any other remedy or damage.

7. TRANSFER OF RISK AND PROPERTY

Risks in the Products shall pass to the Buyer in accordance with the Incoterm elected for delivery thereof. Title to the Products shall be transferred to the Buyer upon complete payment of the price of the Products

8. INTELLECTUAL PROPERTY RIGHTS

Safran Electronics & Defense retains and shall retain full ownership of all inventions, designs and processes made prior to or developed by it in preparing this proposal and prior to or during the course of performance of the ensuing contract

9. CONFIDENTIALITY

The information and data contained in this proposal and any attached document are confidential and the Buyer shall not make any use of such confidential information other than for the purpose of making an internal evaluation of the proposal.

10. RESPONSIBILITY

The total cumulative liability of Safran Electronics & Defense to the Buyer arising out of or in connection with the ensuing contract from any cause whatsoever, whether based on breach of contract or in tort (including without limitation, negligence or otherwise) under any warranty, or otherwise, shall in no event, exceed in aggregate thirty per cent (30%) of the amount actually cashed by Safran Electronics & Defense under the contract.

In no event shall Safran Electronics & Defense be liable for any special, consequential or incidental damage of whatsoever kind or nature, including without limitation any losses, costs, damages, loss of revenue or profit.

11. GUARANTEE

Safran Electronics & Defense warrants that the products delivered under the Agreement shall be free from defect in and malfunctions arising from workmanship or material preventing the products from meeting the specifications. Such warranty shall not exceed:

For ARGONYX INS:

- 60 months after delivery of the equipment (DAP Cartagena)
- Or 48 months after successful Sea trial of the equipment,

whichever event occurs first.

For SIGMA40-DSP INS:

- 36 months after delivery of the equipment (DAP Cartagena)
- Or 24 months after successful Sea trial of the equipment,

whichever event occurs first.

This warranty shall not apply to consumable and expendable items and to defects arising from or connected with Buyer's failure to operate or maintain the products in accordance with Safran Electronics & Defense's specifications and documentation and shall not be applicable to defects arising from or connected with (i) any combinations of the product with system not approved by Safran Electronics & Defense (ii) or any modification of the products performed by any third party (iii) or any accident of the products (iv) or normal wear and tear (v) or defective installation, maintenance or storage (vi) or inadequate energizing.

The warranty shall be limited to the replacement or repair by Safran Electronics & Defense of defective products and redelivery of repaired or replacement products in accordance with the initial delivery conditions provided that (i) the defect has been reported to Safran Electronics & Defense within fifteen (15) days from discovery thereof, and (ii) that the defective products has been returned to Safran Electronics & Defense at the Safran Electronics & Defense risks and costs, and (iii) that

the alleged defective products have been effectively found defective in Safran Electronics & Defense factory. Repaired or replacement products shall be warranted for the remaining warranty period excluding repair time period.

The warranty period and the rights and remedies of the Buyer hereunder are exclusive and in lieu of and the Buyer hereby expressly waives any other warranties, rights or remedies whether expressed or implied arising by law or otherwise with respect to any defects in or failures of the products.

12. EXPORT REGULATIONS

The Argonyx Product is subject to export control under French Regulations. Safran Electronics & Defense shall apply for such authorizations from the French authorities as may be required for the performance of the contract including delivery of the products. Buyer shall provide all necessary assistance and information. In particular, Buyer shall provide to Safran Electronics & Defense upon contract signature, a Non Transfer and Use Certificate, duly filled, stamped and signed by the concerned parties.

In accordance with the French governmental regulations for military sales, this budgetary quotation cannot for any reason whatsoever constitute or be deemed as a firm commitment from Safran Electronics & Defense; the prices included herein are budgetary estimates. All principles contained herein could be further developed in a detailed proposal and/or contract only upon prior written authorization from the relevant French Governmental Authorities.

The EUC should arrive at Safran Electronics & Defense's premises at the latest at the FAT Date.

In case the EUC is not received 4 months after the sending date of the FAT Calling Letter, Safran Electronics & Defense shall apply penalties to the buyer.

13. TAXES

Any taxes, duties, fees etc. whatsoever relating to or in connection with the performance of the Contract, existing, and payable in France shall be borne and paid by Safran Electronics & Defense. Any taxes, duties, fees, etc. or customs duties whatsoever relating to or in connection with the performance of the Contract, existing or to be created, and payable outside France shall be borne and paid by the Buyer.

14. APPLICABLE LAW AND JURISDICTION

This Proposal is construed and governed by the Switzerland Law.

All disputes arising in connection with the present proposal shall be finally settled under the Rules of Arbitration of the International Chamber of Commerce by one or more arbitrators appointed in accordance with the said Rules. The arbitration shall take place in Geneva (Switzerland). The proceedings will be conducted in English language.

In the frame of the Contract, each Party shall comply with the legal provisions against corruption in accordance with any applicable anti-corruption laws or regulations including but not limited to the the French Sapin II Law, U.S. Foreign Corrupt Practices Act of 1977, the UK Bribery Act 2010, the OECD Convention of 1997 and the United Nations Convention Against Corruption of 2003

(UNCAC). The Parties shall not grant, directly or indirectly, any unduly gift, present, payment, remuneration or benefit whatsoever (trip, etc.) to anyone in connection with the activities performed under the Contract. In the event of failure to comply with the foregoing provision, the non-defaulting Party shall automatically have the right to terminate the Contract with immediate effect and without compensation for the defaulting Party and without prejudice to any remedies the non-defaulting Party may take against the defaulting Party.

The Receiving Party further represents and warrants that it will not retransfer or re-export, directly or indirectly, any of the Confidential Information to or through any country or region subject to comprehensive sanctions or trade embargoes as such sanctions and embargoes are amended from time to time, including but not limited to Cuba, Iran, North Korea and Syria, Russia, Belarus, Crimea the so-called Donetsk People's Republic, the so-called Luhansk Peoples' Republic and occupied territories of Ukraine.

Breach of any of the provisions set forth in this Article by the Receiving Party must be reported to the Disclosing Party without undue delay and shall be considered an irreparable material breach of this Agreement which shall entitle the Disclosing Party, notwithstanding any other rights or remedies it may have under the Agreement or by law, to immediately terminate this Agreement.

15. VALIDITY

This proposal is valid until the 31st March 2026.