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**1. PURPOSE**  
The purpose of the present general conditions of purchase of goods and/or services (hereinafter the "General conditions") is to define the terms and conditions whereby ALSTOM Transport SA, a French Société Anonyme (with a share capital of 265.540.000 euros, registered under SIREN number B 389 191 982 RCS Nanterre, whose registered office is located in France at Levallois-Perret (92300) at no.3, avenue André Malraux (hereinafter the "Purchaser") entrusts the Supplier (hereinafter the "Supplier"), who accepts it, to supply the goods and equipment (hereinafter the "Goods") and/or services (hereinafter the "Services").

## 2. FORM AND CONTENT OF THE CONTRACT

**2.1.** The contract (hereinafter the "**Contract**") that shall govern the supply of Goods and Services by the Supplier to the benefit of the Purchaser shall consist of the documents quoted in decreasing order of priority as follows:  
- purchase order (hereinafter the "**Order**"),  
- special conditions, supplementing and/or amending the General Conditions, indicated in the Order (hereinafter the "**Special conditions**").

- the present General conditions,  
- the "Technical Specifications" attached to the Order (hereinafter the "**Technical Specifications**"),  
- the Supplier's offer when expressly referred to the Order (hereinafter the "**Offer**").  
**2.2.** Any start of performance of the Contract and especially the fact of proceeding to the design, manufacture, delivery, invoice or supply of Goods and/or Services, shall involve the definitive acceptance of the terms and conditions of all of the documents stated in Article 2.1.  
**2.3.** All documents other than those covered in Article 2.1 shall not be applicable between the parties to the Contract, unless otherwise stated in the Order.

## 3. COMING INTO FORCE – TERM

**3.1.** Subject to the provisions of Article 2.2, the Contract shall come into force once the Purchaser has acknowledged receipt of the Order signed by the Supplier. The Supplier undertakes to return to the Purchaser, the acknowledgement of receipt of the Order within eight (8) calendar days of the receipt thereof. However, and if not returned within this period, the Contract shall be considered to have been concluded.  
**3.2.** Unless stated otherwise in the Contract, the date of coming into force thereof shall constitute the starting point for the performance time by the Supplier of its obligations under the Contract.

**3.3.** The Contract shall expire when all of the obligations of each party have been fully performed.

## 4. PERFORMANCE OF THE CONTRACT

**4.1.** The Supplier shall deliver the Goods and/or perform the Services in accordance with the Technical Specifications, the applicable industry standards and the timetable for performance defined in the Contract. To this end, the Supplier commits himself to achieve performance and results under this Contract. The performance deadlines may only be extended or reduced through an amendment to the Contract, in accordance with the provisions of Article 7.2.  
**4.2.** The Supplier shall request from the Purchaser in due time, any approvals and instructions needed for the correct execution of the Contract and its part and as the case may be, the Purchaser shall make available to the Supplier the materials and/or perform the works identified in the Contract. It shall also provide access to the delivery site for the Goods and/or performance of the Services (hereinafter the "Site" or "Sites").  
**4.3.** By accepting the Order, the Supplier expressly acknowledges having received communication of all of the documents and information that it needs in order to assess the commitments that it has subscribed to under the Contract as well as the conditions for the performance thereof, especially concerning the safety standards in force at the Site and any possible dangers connected with the installations and/or machinery nearby, whenever these have been communicated to the Purchaser, or whether it has itself solicited them in application of its obligation as a professional to solicit all of the documents and information necessary for the correct performance of its obligations under the Contract.  
**4.4.** Throughout the term of the performance of the Contract, the Supplier shall be responsible for its staff complying with the Purchaser's internal rules and conditions of access, health and safety rules applicable to the Site. The Supplier shall inform the Purchaser immediately of any event that might affect the performance of the Contract, especially as regards safety.

**4.5.** The Supplier shall be responsible for implementing all of the necessary resources for the performance of its obligations under the Contract and for those specifically mentioned in the Contract as being under the responsibility of the Purchaser. The Supplier shall have all of the materials and tools needed for the performance of the Contract and shall allocate qualified staff in sufficient numbers to perform the Contract within the contractual deadline.  
**4.6.** Unless different procedures are specified in the Special Conditions, the Supplier shall send the Purchaser, a weekly activity report tracing the Goods and/or Services performed and any difficulties encountered, which shall include in particular a progress report and any non-compliance data sheets according to a format on which the Purchaser shall have previously agreed in writing.  
**4.7.** From the date of the latest of the Contract coming into force, the Supplier shall appoint a staff member as a project manager and shall inform the Purchaser accordingly. The project manager thus appointed shall be responsible for directing the operations necessary for the delivery of the Goods and/or the performance of the Services and shall be solely entitled to give instructions to the Supplier's staff who is responsible for the performance of the Services on Site. It shall be the Supplier's contact person of the Purchaser.  
**4.8.** The Supplier shall be responsible for matters of scheduling and staff and agrees to comply with labor legislation especially that concerning working hours, weekly rest and possibly additional rest periods and annual or other leave and shall be responsible for paying all of the costs relating to its application of its obligation as a professional.  
**4.9.** The Supplier shall be responsible for its own expenses, including all formalities and obligations imposed by the Regulation (EC) no 1907/2006 concerning the registration, evaluation, authorization and restrictions of chemicals (REACH). It shall also undertake to ensure that its own suppliers will comply with the Regulation.

Pursuant to Article 8 of this Regulation, the Supplier, based outside the European Economic Area, shall appoint an exclusive representative, at its option, based in Europe, who will be in charge to proceed to all formalities and obligations imposed by the Regulation. The Supplier shall provide the Purchaser the representative's name and address. The Supplier shall provide the Purchaser, upon its request, a certificate establishing its conformity with the Regulation's technical provisions.  
In the event of non compliance with the formalities imposed by the said Regulation, the Supplier shall undertake to compensate any damage that may result thereof.

## 5. FREE DISPOSAL OF MATERIAL BY THE PURCHASER

**5.1.** Materials such as components, machinery, tools, models, moulds, jigs and fixtures, accessories or others which may be made available to the Supplier by the Purchaser for the purposes of the Contract shall be in the Supplier's custody who shall take out insurance against any damage that they might suffer and it shall clearly mark them and record them with the date of receipt, their own expenses, and formalities and obligations imposed by the Regulation (EC) no 1907/2006 concerning the registration, evaluation, authorization and restrictions of chemicals (REACH). It shall also undertake to ensure that its own suppliers will comply with the Regulation.  
**5.2.** The Supplier agrees to refrain from using such materials other than for the purpose of the Contract, it shall keep them in a good working order, except for normal wear and tear and it shall take on the risks relating thereto throughout the period when they are made available to it.  
**5.3.** Any damage or deterioration that such materials may suffer due to improper use or negligence by the Supplier shall be repaired at the latter's cost. Without prejudice to the other rights of the Purchaser, the Supplier shall return such materials upon first request.  
**5.4.** Ownership of tools manufactured or acquired by the Supplier especially for the purposes of the Contract such as moulds, or the tools, jigs and fixtures, shall be transferred to the Purchaser at the end of the time of their manufacture or acquisition by the Supplier. The Supplier shall return the tools to the Purchaser by the end of the performance of the Contract at the latest.

## 6. HAZARDOUS PRODUCTS

**6.1.** Should certain Goods or products that are to be respectively supplied or used under the terms of the Contract, contain hazardous substances or require the taking of special safety precautions during handling, transport, storage or use, the Supplier shall provide the Purchaser, before delivering or using them, in writing with the necessary information relating to the nature of the substances and/or products to be taken into account: (a) before dispatch, the appropriate instructions and warnings are clearly displayed on the Goods or products in question and on the packaging in which they are placed.  
**6.2.** In particular, and without this provision being restrictive, the Supplier shall provide the Purchaser in writing with any indications, instructions and warnings necessary in order to comply with the legislative or regulatory provisions applicable for health and safety considerations.

## 7. MODIFICATIONS

**7.1.** The Supplier shall accept any modification that the Purchaser may legitimately require of it as regards the subject of the Order, the Technical Specifications or the performance of the Contract. The related price may be adjusted in order to take into account the said modification, based on the rates and prices indicated in the Contract or, if these are not applicable, on the basis of what is fair and reasonable.  
**7.2.** Any modification to the Contract shall only be binding upon the parties if the said modification has been formalized through an amendment to the Contract.

## 8. CONTROLLING – TESTING

**8.1.** The Purchaser, who may be accompanied by any persons appointed thereby, may at any time make any controlling visit to the Supplier's premises, where the Goods and/or Services are to be performed, during normal working hours, in order to ensure the correct performance by the Supplier, of its contractual obligations.  
**8.2.** The Supplier shall promptly remedy any defects note relating to the Goods and/or Services during the abovementioned visits as well as any defect notified to it by the Purchaser concerning its performance.  
**8.3.** The Supplier shall inform the Purchaser in writing, with a minimum of seven (7) calendar days notice, of the date on which testing is to be performed. The Purchaser and any person appointed by it shall have to be present during the tests. The Supplier shall provide the Purchaser with official reports of the corresponding tests.  
**8.4.** If the test results do not comply with the Technical Specifications and/or performance requirements (Quality Assurance Plan, industry standards, etc.), the Supplier shall immediately carry out the necessary measures and shall repeat the planned testing at its exclusive expense, and under conditions that are compatible with the deadlines stipulated in the Contract.  
**8.5.** Controlling and testing performed shall not release the Supplier from its liability and shall not be considered as an acceptance of the Goods and/or Services by the Purchaser, the latter retaining all of its rights and contractual remedies and in particular those stated in Articles 12, 13 and 14 hereinafter.

## 9. TRANSPORTATION – PACKAGING

**9.1.** The Supplier shall assume the responsibility relating thereto in the Contract, the Supplier shall, in all circumstances, use packaging suitable to the nature of the Goods and that guarantees the integrity thereof until they are delivered.  
**9.2.** Where there is no special stipulation in the Contract, (i) deliveries on the premises mentioned in the Contract shall be made "Delivered Duty Paid" ("DDP" according to INCOTERM, 2000 version), any costs to be borne by the Supplier; (ii) for equipment purchased "ex works" ("EXW" according to INCOTERM, 2000 version), the Supplier shall be responsible for packaging and transportation on behalf of the Purchaser, under optimum conditions. The corresponding charges shall be paid by the Supplier and shall be invoiced to the Purchaser at cost.  
**9.3.** Any loss of or damage to the goods, or their accessories, or their contents, dated, bearing references of the Contract and indicating in particular the details of the Goods delivered, the contents of the parcels therein, their gross and net weight, method of transportation, date of dispatch, as well as the rail wagon number or vehicle registration number if relevant. The Supplier shall send simultaneously, by separate letter, a copy of the document to the Purchaser's department that issued the Order.  
**10. DELIVERY AND LEAD TIME**  
**10.1.** The date(s) or deadline(s) for the performance of the Services and/or delivery of the Goods specified in the Contract, or the date of delivery of the Goods, shall constitute a substantial condition of the Contract.  
**10.2.** If the delivery of the Goods and/or performance of the Services is likely to be delayed, the Supplier shall inform the Purchaser accordingly as soon as possible and shall specify in writing the measures it has adopted or proposes in order to minimize the consequences of such delay.  
**11. PENALTIES FOR DELAY**  
**11.1.** If the Supplier fails to comply with the dates or deadlines for the delivery of the Goods and/or performance of the Services specified in the Contract, except for reasons attributable to the Purchaser, the latter is entitled to apply penalties, without any prior official notification, from the moment any date or deadline has been reached.  
**11.2.** Unless stipulated otherwise in the Contract, the penalties mentioned here above, shall be calculated at the rate of two per cent (2%) of the total price of the Contract exclusive of Value Added Tax - per week's delay, limited to ten per cent (10%) of the total price of the Contract exclusive of Value Added Tax - Each week started gives rise to the application of penalties for the week in question.  
**11.3.** It is expressly agreed that these penalties as a result of the delay, shall be applicable without prejudice to any other rights and remedies of the Purchaser under the Contract. They shall be the subject of an invoice.

As soon as they are applicable, the penalties may be applied at any time, at the Purchaser's option.

## 12. COMPLIANCE REQUIREMENTS

**12.1.** The Goods and/or Services shall comply with the Technical Specifications and be suitable for the use they are expected. They shall also satisfy the usual quality criteria as well as the current standards and legislation. The Goods shall be delivered in a state of full completion with the complete documentation associated therewith as well as all instructions, recommendations and other indications necessary in order for them to be used correctly and under appropriate safety conditions. Goods or Services that do not meet all of the previous requirements shall be considered as non-compliant.  
**12.2.** If the Supplier is not certain that the results of the Services or Goods that it shall deliver comply with the requirements defined in Article 12.1., it shall inform immediately the Purchaser thereof in writing, providing all the needed indications concerning the risks of non-compliance and the measures that the Supplier intends to take in order to remedy the situation. The Purchaser shall notify its acceptance or rejection of the Supplier's proposals as soon as possible and in writing.

**12.3.** If the Purchaser assesses on its part that the Supplier is not performing the Services and/or supplying the Goods in accordance with the Contract, it may require the Supplier to indicate to it, in writing, the measures that the Supplier intends to take to remedy the situation. The Purchaser shall notify the Supplier in writing as soon as possible of its acceptance or rejection of the Supplier's proposals.

## 13. NON-COMPLIANCE – REJECTION OF DELIVERY

**13.1.** If, when they arrive at the Purchaser's premises or any other place agreed between the parties, the Goods and/or the result of the Services are considered as non-compliant, the Purchaser may reject all or part of them. The delivery shall then be considered as not having been made.  
**13.2.** If, at the request of the Purchaser, it may require the Supplier to indicate to it, in writing, the measures that the Supplier intends to take to remedy the situation. The Purchaser shall notify the Supplier in writing as soon as possible of its acceptance or rejection of the Supplier's proposals.

**13.3.** If, when they arrive at the Purchaser's premises or any other place agreed between the parties, the Goods and/or the result of the Services are considered as non-compliant, the Purchaser may reject all or part of them. The delivery shall then be considered as not having been made.

**13.4.** If, at the request of the Purchaser, it may require the Supplier to indicate to it, in writing, the measures that the Supplier intends to take to remedy the situation. The Purchaser shall notify the Supplier in writing as soon as possible of its acceptance or rejection of the Supplier's proposals.

**13.5.** If, when they arrive at the Purchaser's premises or any other place agreed between the parties, the Goods and/or the result of the Services are considered as non-compliant, the Purchaser may reject all or part of them. The delivery shall then be considered as not having been made.

**13.6.** If, at the request of the Purchaser, it may require the Supplier to indicate to it, in writing, the measures that the Supplier intends to take to remedy the situation. The Purchaser shall notify the Supplier in writing as soon as possible of its acceptance or rejection of the Supplier's proposals.

**13.7.** If, when they arrive at the Purchaser's premises or any other place agreed between the parties, the Goods and/or the result of the Services are considered as non-compliant, the Purchaser may reject all or part of them. The delivery shall then be considered as not having been made.

**13.8.** If, at the request of the Purchaser, it may require the Supplier to indicate to it, in writing, the measures that the Supplier intends to take to remedy the situation. The Purchaser shall notify the Supplier in writing as soon as possible of its acceptance or rejection of the Supplier's proposals.

**13.9.** If, when they arrive at the Purchaser's premises or any other place agreed between the parties, the Goods and/or the result of the Services are considered as non-compliant, the Purchaser may reject all or part of them. The delivery shall then be considered as not having been made.

**13.10.** If, at the request of the Purchaser, it may require the Supplier to indicate to it, in writing, the measures that the Supplier intends to take to remedy the situation. The Purchaser shall notify the Supplier in writing as soon as possible of its acceptance or rejection of the Supplier's proposals.

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**13.12.** If, at the request of the Purchaser, it may require the Supplier to indicate to it, in writing, the measures that the Supplier intends to take to remedy the situation. The Purchaser shall notify the Supplier in writing as soon as possible of its acceptance or rejection of the Supplier's proposals.

**13.13.** If, when they arrive at the Purchaser's premises or any other place agreed between the parties, the Goods and/or the result of the Services are considered as non-compliant, the Purchaser may reject all or part of them. The delivery shall then be considered as not having been made.

**13.14.** If, at the request of the Purchaser, it may require the Supplier to indicate to it, in writing, the measures that the Supplier intends to take to remedy the situation. The Purchaser shall notify the Supplier in writing as soon as possible of its acceptance or rejection of the Supplier's proposals.

**13.15.** If, when they arrive at the Purchaser's premises or any other place agreed between the parties, the Goods and/or the result of the Services are considered as non-compliant, the Purchaser may reject all or part of them. The delivery shall then be considered as not having been made.

**13.16.** If, at the request of the Purchaser, it may require the Supplier to indicate to it, in writing, the measures that the Supplier intends to take to remedy the situation. The Purchaser shall notify the Supplier in writing as soon as possible of its acceptance or rejection of the Supplier's proposals.

**13.17.** If, when they arrive at the Purchaser's premises or any other place agreed between the parties, the Goods and/or the result of the Services are considered as non-compliant, the Purchaser may reject all or part of them. The delivery shall then be considered as not having been made.

**13.18.** If, at the request of the Purchaser, it may require the Supplier to indicate to it, in writing, the measures that the Supplier intends to take to remedy the situation. The Purchaser shall notify the Supplier in writing as soon as possible of its acceptance or rejection of the Supplier's proposals.

**13.19.** If, when they arrive at the Purchaser's premises or any other place agreed between the parties, the Goods and/or the result of the Services are considered as non-compliant, the Purchaser may reject all or part of them. The delivery shall then be considered as not having been made.

**13.20.** If, at the request of the Purchaser, it may require the Supplier to indicate to it, in writing, the measures that the Supplier intends to take to remedy the situation. The Purchaser shall notify the Supplier in writing as soon as possible of its acceptance or rejection of the Supplier's proposals.

**13.21.** If, when they arrive at the Purchaser's premises or any other place agreed between the parties, the Goods and/or the result of the Services are considered as non-compliant, the Purchaser may reject all or part of them. The delivery shall then be considered as not having been made.

**13.22.** If, at the request of the Purchaser, it may require the Supplier to indicate to it, in writing, the measures that the Supplier intends to take to remedy the situation. The Purchaser shall notify the Supplier in writing as soon as possible of its acceptance or rejection of the Supplier's proposals.

**13.23.** If, when they arrive at the Purchaser's premises or any other place agreed between the parties, the Goods and/or the result of the Services are considered as non-compliant, the Purchaser may reject all or part of them. The delivery shall then be considered as not having been made.

**13.24.** If, at the request of the Purchaser, it may require the Supplier to indicate to it, in writing, the measures that the Supplier intends to take to remedy the situation. The Purchaser shall notify the Supplier in writing as soon as possible of its acceptance or rejection of the Supplier's proposals.

**13.25.** If, when they arrive at the Purchaser's premises or any other place agreed between the parties, the Goods and/or the result of the Services are considered as non-compliant, the Purchaser may reject all or part of them. The delivery shall then be considered as not having been made.

**13.26.** If, at the request of the Purchaser, it may require the Supplier to indicate to it, in writing, the measures that the Supplier intends to take to remedy the situation. The Purchaser shall notify the Supplier in writing as soon as possible of its acceptance or rejection of the Supplier's proposals.

**13.27.** If, when they arrive at the Purchaser's premises or any other place agreed between the parties, the Goods and/or the result of the Services are considered as non-compliant, the Purchaser may reject all or part of them. The delivery shall then be considered as not having been made.

**13.28.** If, at the request of the Purchaser, it may require the Supplier to indicate to it, in writing, the measures that the Supplier intends to take to remedy the situation. The Purchaser shall notify the Supplier in writing as soon as possible of its acceptance or rejection of the Supplier's proposals.

**13.29.** If, when they arrive at the Purchaser's premises or any other place agreed between the parties, the Goods and/or the result of the Services are considered as non-compliant, the Purchaser may reject all or part of them. The delivery shall then be considered as not having been made.

**13.30.** If, at the request of the Purchaser, it may require the Supplier to indicate to it, in writing, the measures that the Supplier intends to take to remedy the situation. The Purchaser shall notify the Supplier in writing as soon as possible of its acceptance or rejection of the Supplier's proposals.

**13.31.** If, when they arrive at the Purchaser's premises or any other place agreed between the parties, the Goods and/or the result of the Services are considered as non-compliant, the Purchaser may reject all or part of them. The delivery shall then be considered as not having been made.

**13.32.** If, at the request of the Purchaser, it may require the Supplier to indicate to it, in writing, the measures that the Supplier intends to take to remedy the situation. The Purchaser shall notify the Supplier in writing as soon as possible of its acceptance or rejection of the Supplier's proposals.

**13.33.** If, when they arrive at the Purchaser's premises or any other place agreed between the parties, the Goods and/or the result of the Services are considered as non-compliant, the Purchaser may reject all or part of them. The delivery shall then be considered as not having been made.

**13.34.** If, at the request of the Purchaser, it may require the Supplier to indicate to it, in writing, the measures that the Supplier intends to take to remedy the situation. The Purchaser shall notify the Supplier in writing as soon as possible of its acceptance or rejection of the Supplier's proposals.

**13.35.** If, when they arrive at the Purchaser's premises or any other place agreed between the parties, the Goods and/or the result of the Services are considered as non-compliant, the Purchaser may reject all or part of them. The delivery shall then be considered as not having been made.

**13.36.** If, at the request of the Purchaser, it may require the Supplier to indicate to it, in writing, the measures that the Supplier intends to take to remedy the situation. The Purchaser shall notify the Supplier in writing as soon as possible of its acceptance or rejection of the Supplier's proposals.

**13.37.** If, when they arrive at the Purchaser's premises or any other place agreed between the parties, the Goods and/or the result of the Services are considered as non-compliant, the Purchaser may reject all or part of them. The delivery shall then be considered as not having been made.

Should the Supplier fail in the performance of its warranty obligation, the Purchaser may itself remedy the failing and/or assign a third party enterprise of its choice to perform the remedy, at the Supplier's cost and risks, after an official notification by registered letter has remained unfruitful for seven (7) calendar days.  
The Supplier shall then do everything possible to facilitate the intervention of the Purchaser or the third-party company under the most favorable conditions and especially it shall remit to them the tooling, plans, studies and any other necessary documents.

## 21.2. Warranty applicable to production Goods or Services

Under the terms which provides otherwise, the contractual term of the warranty shall be twenty-four (24) months from the date on which the Purchaser's system, or set of product which incorporate the Goods and/or results of Services is put into service, and thirty-six (36) months as a maximum from the delivery of the Goods and/or Services at the Purchaser's Site.

During the warranty period, the Supplier shall correct or replace, at its expense, any defect notified to it by the Purchaser, within a period not exceeding two (2) working days as from the written notification sent by the Purchaser. To this end, it shall apply the most appropriate solution between repair, replacement of the defective part in the Good, or re-design of the Good or Service, after the Purchaser has consented thereto. Replacement, repair or re-design operations shall cover all of the Goods to be delivered in the context of a single Order, including spare parts. The Supplier shall also cover the costs relating to the logistics, disassembly and installation of the Goods on the Client's equipment, depending on the case.

Any replacement or repair, even partial, of a Good affected by a defect shall give rise to the application of a new warranty period covering the Good concerned for a period of twenty-four (24) months from the date of the repair or replacement.

**21.3.** Furthermore, the Supplier undertakes to ensure subject to further Purchaser's orders, that the Goods will remain available, as well as depending on the case, their sub-sets, components or spare parts, in compliance with the Technical Specifications and this shall be for a period of thirty (30) years from the date of the Order. Should the Supplier be unable to fulfill such a commitment, it undertakes to transmit to the Purchaser, free of charge, all of the drawings, specifications document, specific tools, documents and other information, regardless of the medium they are in, in order to enable the Purchaser to find an alternative source of manufacture, sale, repair and/or maintenance relating to the Goods, their sub-sets, components or spare parts.

**21.3.** Warranty applicable to non-production Goods or Services  
Under the terms which provides otherwise, the contractual term of the warranty shall be twenty-four (24) months from the date of acceptance when the Goods and/or Services are subject to the provisions of Article 14 or (ii) from the date of delivery to the Purchaser's Site in the other case.

During the warranty period, the Supplier shall correct or replace at its own expense, any defect notified to it by the Purchaser, within a period not exceeding five (5) working days as from the written notification sent by the Purchaser unless another deadline shall have been set by mutual agreement between the parties. The replacement and repair operations shall cover all Goods to be delivered as part of a single Order, including spare parts.

Under the terms which provides otherwise in the Order, in the event of a defect notified to the Purchaser, even partial, to a Good affected by a defect shall be productive of an application for a new warranty period covering the Good in question for a period of twenty-four (24) months from the date of repair or replacement.

## 21.4. Endemic defects

"Endemic Defect" shall mean the same defect affecting at least (5%) per cent of series Goods or a same defect affecting at least three (3) per cent of circuit boards, components or electronic sub-sets delivered by the Supplier to the Purchaser under the Contract, measured over a continuous period of twelve (12) consecutive months, from the date of delivery of the first Good until three (3) years after the date of delivery of the last Good to the Purchaser.  
Throughout the warranty period defined above, the Supplier shall provide an analysis and action plan to correct any Endemic Defect that shall be notified to it by the Purchaser, within a period not exceeding one (1) week from the notification thereof sent by the Purchaser. This action plan shall be implemented within a reasonable period, to be defined mutually between the Parties in relation to the nature of the Endemic Defect.

If an Endemic Defect affects the same part or the same Good in one or more Orders, the Supplier shall repair or replace all of the identical parts or Goods that are the subject of such Order(s). The Supplier shall also bear the costs of the logistics, disassembly and re-assembly of the parts or Goods.  
In the event of a defect notified to the Purchaser, even partial, to a Good affected by a defect shall be productive of an application for a new warranty period covering the Good or part thus repaired, the warranty period covering the part or Good shall be extended for a period of twelve (12) months, from the date of receipt by the Purchaser of the Good or part thus repaired.

## 21.5. Reliability

Reliability targets (MTBF) are defined in the Technical Specifications attached as an Appendix to the Contract.  
Notwithstanding any applicable definition of penalties relating to reliability defined in the Special Conditions, Goods shall remain covered by the warranty defined in Article 21 of the Contract as long as the reliability commitments have not been exceeded.

## 21.6. LIABILITY

The Supplier shall indemnify the Purchaser, whether prior to or after the performance of the Contract, for any damage, material or non-material, suffered as the result of partial or total non-performance or poor performance of the Contract for any reason for which it is liable, any loss or damage, material or non-material, resulting from acts or omissions of the Supplier, as well as any death and/or for any physical injury caused by the Supplier. The Supplier's liability shall include its sub-contractors, representatives and agents. The above compensation shall cover, where applicable, the related costs of the Purchaser's lawyers and expenses incurred by the latter in the event of a claim.

The Supplier's staff shall be at all times recognized as representing the Supplier and shall remain under its administrative and hierarchical control.

## 21.7. INSURANCE

**21.7.** The Supplier shall hold insurance policies covering its civil and professional liability under the obligations defined in the Contract. These policies shall be taken out for an amount appropriate with respect to the subject of the Contract.  
The Supplier shall supply, upon first request from the Purchaser, certificates of insurance to cover the corresponding risks. These certificates shall indicate the amount and extent of the warranties as well as their term of validity and shall also indicate the names and addresses of the insurers and the conditions under which the sums insured have been made.

**21.8.** The Supplier undertakes to keep its insurance policies in force as long as it is under an obligation under the terms of the Contract. Any change during the performance period covering the extent of the warranties and/or capital covered shall be notified without delay to the Purchaser and shall be the subject of a new certificate that shall be sent to the Purchaser.

## 21.8. FORCE MAJEURE

**21.8.** If the performance of a contractual obligation is prevented, restricted or delayed by a case of force majeure, the party whose obligation is incumbent shall be subject to the provisions contained in Article 24.2. It shall be exempted from any liability resulting from this prevention, restriction or delay concerned and the deadlines it shall have been given for the performance shall be extended accordingly.

**21.9.** The party that is a victim of an event of force majeure shall so inform the other party in writing within five (5) working days from the occurrence of the event that constitutes force majeure and shall take every reasonable step to minimize the consequences of such a situation, especially to avoid or limit a possible delay in delivering the Goods and/or performing the Services.

## 21.9. SUSPENSION – TERMINATION

**21.9.** The Supplier shall be entitled to suspend the performance of the Contract at any time through notification made by registered letter with acknowledgement of receipt sent to the Supplier. In such a case, the Supplier may claim compensation that shall be restricted to the additional expenditure duly proven that has been directly caused by the suspension, to the exclusion of any indirect damage including loss of profit.

**21.10.** Either of the parties may terminate the Contract as of right, without prejudice to the exercise of its other rights and remedies, in the case where:  
(a) if an event of force majeure occurs that is of such a nature as to delay the performance of the Contract by more than thirty (30) days, and the party that is the victim of such force majeure has not taken the necessary steps to ensure that any liability resulting from this prevention, restriction or delay concerned and the deadlines it shall have been given for the performance shall be extended accordingly.

(b) The other party fails in any of its obligations under the Contract and shall not have remedied this defect within fifteen (15) calendar days following receipt of an official notification sent by registered letter with acknowledgement of receipt from the non-defaulting party. The Purchaser may be entitled to terminate should it emerge during the course of the performance of the Contract, in the event that the subject thereof will eventually be rejected in whole or in part, if it were to be completed.

**21.11.** The Purchaser may terminate the Contract for convenience with one (1) month's notice, merely by sending a written notification with acknowledgement of receipt to the Supplier.  
**21.12.** The Purchaser may terminate the Contract if there is a corresponding contract that exists between the Purchaser and the end-user of the Goods and/or Services and that this contract has been terminated.

**21.13.** In the circumstances covered in Articles 21.5 and 21.4 above, the Supplier may claim compensation from the Purchaser on condition that it has complied with its contractual obligations, representing direct, reasonable and justified costs, legitimately incurred in the performance of the Contract until the termination thereof and that the Supplier shall otherwise have no other means of avoiding or recovering them. In no case may this compensation exceed the amount of the Contract.

**21.14.** The Supplier shall introduce into its own Orders or sub-contracting contracts linked to the Contract, similar provisions to those contained above in order to minimize the potential financial impact of the application thereof.

## 26. TAXES AND DUTIES

**26.1.** The Supplier shall be responsible for the payment of all taxes, duties and levies of any kind for which it may be liable due to the delivery of the Goods and/or the performance of the Services.  
**26.2.** The Purchaser shall have the right to deduct from the payments due to the Supplier under the terms of the Contract, any taxes or levies, and similar charges if the Supplier fails to remit to the Purchaser the necessary certificates covering exemption from such deductions.

## 27. ASSIGNMENT AND SUB-CONTRACTING

**27.1.** The Contract having been entered into *intuitu personae*, the Supplier, without the specific prior consent of the Purchaser, may not assign it, in full or in part.  
**27.2.** The Supplier may not sub-contract the production of the Goods and/or Services unless the Purchaser has provided its consent in writing and in advance. The abovementioned restriction shall not apply, however, in the case of sub-contracting materials or minor elements or parts of the Goods for which the sub-contractor is designated in the Contract. Even though covered by such consent, the Supplier shall remain solely liable for all of the Goods supplied and/or the Services performed by it and all of its sub-contractors.