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1. PURPOSE

The purpose of these general purchase conditions of equipment and/ or services (hereinafter: 'General Terms & Conditions') is determination of the principles and conditions, which are imposed by Alstom Konstal S.A. with registered office in Chorzów at ul. Metalowców 9, registered in the register of entrepreneurs kept by the District Court in Katowice, Commercial Division of the National Court Register, under National Court Register (KRS) number: 0000034262, Tax Identification Number (NIP): 6270011583, fully-paid share capital: PLN 222,190,000.00 (hereinafter: 'Purchaser') on the Supplier that accepts them in order to supply the equipment (hereinafter: 'Equipment') or services (hereinafter: 'Services'). The Conclusion of the Agreement with the Purchaser on conditions described below is also tantamount to the confirmation that the Supplier is familiar with and will apply principles currently used by the Purchaser, which are included in the text of:

- "Code of Ethic",
- "Supplier Quality Manual".

2. FORM AND CONTENT OF THE CONTRACT

2.1. The purchase order (hereinafter the "Order") that shall govern the supply of Equipment 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, specified in the Order (hereinafter the "Special Conditions"),
- the present General conditions,
- the Specifications (technical, quality, logistic, etc.) attached in the Order (hereinafter the "Specifications").

2.2. Any start of performance of the Order and especially the fact of proceeding to the design, manufacture, delivery, invoice or supply of Equipment 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 Order, unless otherwise stated.

3. EFFECTIVE DATE – TERM

3.1. Subject to the provisions of Article 2.2, the Order 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 ten (10) calendar days from the receipt thereof. However, and if not returned within this period, the Order shall be considered to have been concluded.

3.2. Unless stated otherwise in the Order, the date of coming into force thereof shall constitute the starting point for the performance time by the Supplier of their obligations under the Order.

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

4. ORDER PERFORMANCE

4.1. The Supplier shall deliver the Equipment and/ or perform the Services in accordance with the Specifications, the applicable industry standards and the timetable for performance defined in the Order. To this end, the Supplier commits himself to achieve performance and results under this Order.

The performance deadlines may only be extended or reduced through an amendment to the Order, in accordance with the provisions of Article 7.

4.2. The Supplier shall request from the Purchaser in due time, any approvals and instructions needed for the correct performance of the Order. For 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 Order. It shall also provide access to the delivery site for the Equipment and/ or performance of the Services (hereinafter the "Site" or "Sites").

4.3. In 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 Order 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, whether these have been received spontaneously from the Purchaser, or whether it has itself solicited them in the performance of their obligation as a professional to solicit all of the documents and information necessary for the correct performance of their obligations under the Order.

4.4. Throughout the term of the performance of the Order, the Supplier shall be responsible for their staff complying with the Purchaser's internal rules and conditions of access, health and safety rules applicable at the Site. Supplier shall inform the Purchaser immediately of any event that might affect the performance of the Order, especially as regards safety.

4.5. The Supplier shall be responsible for implementing all of the necessary resources for the performance of their obligations under the Order, with the exception of those specifically mentioned in the Order as being the responsibility of the Purchaser. The Supplier shall have all of the materials and tools needed for the performance of the Order and shall allocate qualified staff in sufficient numbers to the performance of the Order 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 Equipment and/ or Services performed and any difficulties encountered, which shall include in particular a progress report and any non-compliance datasheets created based on a format that the Purchaser shall have previously agreed in writing.

4.7. Within seven (7) days at the latest from the Order coming into force, the Supplier shall appoint a staff member as an authorized project manager and shall inform the Purchaser thereof. The project manager thus appointed shall be responsible for directing the operations necessary for the delivery of the Equipment and/ or the performance of the Services and shall be solely entitled to give instructions to the Supplier's staff who are responsible for the performance of the Services on Site.

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 contributions that relate to their staff.

4.9. The Supplier shall fulfill at his own expenses, 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 their suppliers will comply with the Regulation. Pursuant to Article 8 of this Regulation, the Supplier, based outside of the European Economic Area, shall appoint an exclusive representative, at their 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 with the representative's name and address. The Supplier shall provide the Purchaser, upon prior request of the latter, a certificate of compliance with the terms and conditions of the said Regulation. In the event of non-compliance with the formalities imposed by the said Regulation, the Supplier shall repair any direct damage that may result.

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 (hereinafter the "Materials"), which may be made available to the Supplier by the Purchaser for the purposes of the Order shall be in the Supplier's custody who a) shall take out appropriate insurance against any damage that they might suffer and b) it shall clearly mark them and record them as being the property of the Purchaser.

5.2. The Supplier agrees to refrain from using Materials other than for the purpose of the Order; it shall keep them in Equipment 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 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.

6. HAZARDOUS PRODUCTS

6.1. Should certain Equipment or products that are to be respectively supplied or used under the terms of the Order, contain dangerous 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 these substances and the precautions to take. The Supplier shall ensure that before dispatch, the appropriate instructions and warnings are clearly displayed on the on the indicated Equipment 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 supply 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 Specifications, or deadlines for performance. The related price may be adjusted in order to take into account the said modification, based on the rates and prices indicated in the Order or, if possible, on the basis of fair and reasonable quotation of modification.

7.2. Any changes in the Order should be made in written form under the pain of nullity.

7.3. In case of the modification of the production localization or the manufacturing process of the Equipment, Parts and/ or Spare Parts, or performance of whole or part of the Services, the Supplier shall obtain prior and written authorization from the Purchaser ensuring that the quality procedures defined in the Order as well as the Time Schedule will not be modified. In such case, the Supplier shall bear all costs associated to this modification and in particular all costs associated to necessary validation and type test processes if need be.

8. CONTROLLING – TESTING

8.1. The Purchaser, who may be accompanied by any person appointed thereby, may at any time make any controlling visit that it considers necessary to the premises on which the Equipment and/ or Services are to be performed, during normal working hours, in order to ensure the correct performance by the Supplier, of their contractual obligations.

8.2. The Supplier shall promptly remedy any defects which could be noted relating to the Equipment and/ or Services during the abovementioned visits, as well as any defect notified to it by the Purchaser concerning their performance.

8.3. The tests (first article inspection, first mounting inspection, static and dynamic tests, maintainability, etc.) are to be performed pursuant to procedures defined in the Specifications.

The Purchaser and any person appointed by it shall have the right 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 Specifications and/ or performance requirements (SPQD plan, industry standards, etc.), the Supplier shall immediately carry out the necessary measures and shall repeat the planned testing at their exclusive expense (including eventual travel cost of the Purchaser), and under conditions that are compatible with the deadlines stipulated in the Order.

8.5. Controlling and testing performed shall not release the Supplier from their liability and shall not be considered as an acceptance of the Goods and/ or Services by the Purchaser. The Purchaser retains all their rights provided for in the Order, including the right to compensation for any damage.

9. TRANSPORTATION – PACKAGING

9.1. Should there be no special stipulation relating thereto in the Order, the Supplier shall, in all circumstances, use appropriate packaging according to the nature of the Equipment guaranteeing the integrity thereof until they are delivered.

9.2. The Supplier shall comply with international custom regulations in force, including those of the country of destination in case of international sale. He shall provide all necessary documents for custom declaration in the country of destination. Regarding custom origin of the Equipment, the Supplier shall provide:

- a certificate of origin and,
- where this origin leads to application of preferential agreements between the relevant countries, relevant movement certificates.

In case of UE Equipment supplied by UE suppliers, they shall provide individual or annual declaration as described by European Regulation (CE) no. 1207/2001 modified by Regulation 1617/2006. In case of Equipment subject to dual usage international regulation, the Supplier shall provide all the information necessary to obtain the relevant licenses. Regarding international sales with whole or part of transportation, the Supplier shall distinguish on the custom document attached to the deliveries, the price part and the transportation part.

9.3. The Order will specify INCOTERM ICC 2010 terms with a proviso that, unless indicated otherwise in the Order, as a rule the Supplier is responsible for all stages of the delivery and shall bear all the related costs until the Purchaser accepts the Equipment.

9.4. Any delivery of Equipment shall be accompanied by the Supplier's delivery note, dated, bearing references of the Order and indicating in particular the details of the Equipment 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 where 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. Dates or periods of the performance of Services and/ or delivery of the Equipment, as specified in the Order, are reserved for the benefit of the Purchaser and bind the Supplier by constituting an essential element of the Order.

10.2. If the delivery of the Equipment and/ or performance of the Services are 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. It shall not exclude liability of the Supplier on account of a failure to meet the delivery date determined in the Order.

10.3. The Supplier must comply with the delivery times and shall not deliver the Equipment before the delivery date without the written consent of the Purchaser. For any early delivery not corresponding to conditions agreed, the invoice will be issued pursuant to the contractual delivery date and not the date of actual delivery. Accordingly, the Purchaser shall be entitled to charge the Supplier all costs associated with this early delivery.

11. PENALTIES FOR DELAY

11.1. If the Supplier fails to comply with the dates or delivery deadlines for the delivery of the Equipment and/ or performance of the Services specified in the Order, except for reasons attributable to the Purchaser, the latter is entitled to apply penalties, without any prior official notification, from the moment any deadline has been reached.

11.2. Unless stipulated otherwise in the Order, the penalties mentioned here above shall be calculated at the rate of three percent (3%) of the total Order price of the Equipment and/ or Service, exclusive of Value Added tax, for each partial or complete week of the delay, limited to fifteen percent (15%) of the total price of all Orders concluded for a same project exclusive of Value Added tax.

11.3. In addition, in the event of delay to supply the Documentation, within the Time Schedule set out in Specifications or/and the Order, the Supplier shall pay a penalty in the amount of one hundred and fifty (150) Euros per documentation for every partial or complete week of delay.

11.4. It is expressly agreed that these penalties as a result of the delay, shall be applicable without prejudice to any other rights and remedies by the Purchaser under the Order. Penalties may be collected at any time, regardless of the occurrence of the damage, at the Purchaser's discretion, starting from the first date after the expiry of a deadline which is a basis for the collection thereof. The Purchaser may claim damages exceeding the amount of the agreed penalty in accordance with general principles.

12. COMPLIANCE REQUIREMENTS

12.1. The Equipment and/ or Services shall comply with the 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 in force. The Equipment shall be delivered in a state of full completion with the complete documentation associated therewith as well as all of the instructions, recommendations and other indications necessary in order for them to be used correctly and under the appropriate safety conditions. Equipment 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 Equipment that it shall deliver comply with the requirements defined in Article 12.1, it shall inform immediately the Purchaser thereof in writing, providing all of 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 their acceptance or rejection of the Supplier's proposals as soon as possible and in writing.

12.3. If the Purchaser assesses on their part that the Supplier is not performing the Services and/ or supplying the Equipment in accordance with the Order, 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 their acceptance or rejection of the Supplier's proposals. It shall not exclude liability of the Supplier on account of violation of the provisions of the Order.

13. NON-COMPLIANCE – REJECTION OF DELIVERY

13.1. Non-compliance means a difference of compliance with contractual requirements as specified in the Specifications.

If, at the delivery at the Purchaser's premises or any other place agreed between the parties the Equipment 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. In such a case the Purchaser reserves the right to a) demand that the Supplier to replace or repair the rejected Goods and/ or the result of the Services, within the deadline laid down by the Purchaser, or to b) keep the Equipment and/ or Services and remove the inconsistency as part of substitute performance, without a separate consent of the court. The Supplier should then each time facilitate the intervention of the Purchaser or a third party, in particular provide them with tools, drawings, tests and other already drawn up documents necessary for the manufacturing of the Equipment and/ or performance of Services.

13.3. As defined in the Supplier Quality Manual, a lump sum of three hundred fifty (350) Euros will be applied to the Supplier for each NCE (Non-Conformity Event). This lump sum shall not be considered as a sole remedy for the Supplier's default and is without prejudice to any other remedies available to the Purchaser.

13.4. In case of discrepancies between documents, accompanying delivery, and General Terms & Conditions, concerning those documents, i.e.: in particular lack of denotation complying with Order, lack of Order number, lack of required quality certificates in delivery or lack of correctly issued invoice or discrepancies in quantity between the data inserted in ASN (Advanced Shipping Notes) in Ascot and physically delivered parts, the lack of ASN before the delivery to the warehouse, discrepancies between physical delivery of the quantities of components and the quantities of components stated on the delivery notes required any extra counting of the Equipment delivered or delivering the Equipment outside the opening hours: Monday- Friday 7h00-14h00 if not agreed differently with Purchaser; Supplier will be charged one hundred and fifty (150) Euros for each discrepancy. The calculation of this amount does not prejudice other rights of the Purchaser related to this inconsistency.

14. GOODS OR SERVICES SUBJECT TO ACCEPTANCE

14.1. If the Order provides acceptance tests for Equipment and/ or the result of Services after their completion and/ or delivery to the Purchaser, the acceptance shall only be considered as definitive when such tests have demonstrated the compliance of the Equipment and/ or the result of the Services to the Purchaser's requirements.

14.2. Where the Order provides for an acceptance procedure in the presence of both parties, at the end of such procedure, the parties shall sign an acceptance certificate if they agree on the compliance of the Equipment and/ or result of the Services with the requirements. Such acceptance certificate shall be produced in two (2) identical originals. In case when the Supplier fails to appear for the acceptance, the Purchaser shall be entitled to perform unilateral acceptance.

14.3. Signature of the acceptance certificate without any reservations by the parties shall authorize the Supplier to invoice the Purchaser under the terms of payment due on acceptance date

14.4. The Purchaser may pronounce the acceptance of the Equipment and/ or the result of the Services, subject to reservations for all or part of the Equipment and/ or the result of the Services in question depending on the circumstances under the sole assessment of the Purchaser and if the non-compliances are revealed to be of an insignificant nature, especially if they do not affect the safety and/ or use of the Equipment and/ or their environment. The Supplier undertakes to remedy any non-compliances revealed in the certificate within the deadline that is stipulated therein. In case all or part of payment due upon acceptance date may be withheld by the Purchaser until it has been established by both Parties that the Equipment and/ or Services in question have been made compliant.

15. TRANSFER OF TITLE- TRANSFER OF RISKS

Regardless of other provisions the ownership of the Equipment and/ or Service deliverables as well as risks related to the Equipment and/ or Service deliverables are transferred to the Purchaser upon their actual delivery and acceptance.

16. PRICE – PAYMENT

16.1. The prices indicated in the Order shall be firm and definitive for the term of the Order. They shall be stipulated including of all taxes except value added tax.

16.2. Spare Parts means any part or assembly of parts to replace all or part of Equipment objects of the Order. During the execution of the Order, the Parties agree that the Purchaser will be able to order a volume of Spare Parts at an equivalent price equivalent to the price of series parts for any Order placed six (6) months prior to the last delivery of an Order. Beyond these six months, the gap between the price of Spare Parts and the initial price during the series stage may not exceed twenty percent (20%) of the serial price.

16.3. These provisions concerning the delivery of the Equipment apply accordingly to the performance of the deliveries of Spare Parts and the exercise of the Purchaser's rights related to the delivery of Spare Parts, including the delivery of Spare Parts after the period of validity of the Order.

16.4. Unless otherwise stipulated in the Order, the payment of the amounts due to the Supplier shall be made in Euros, as the currency of both the account and of payment.

16.5. Unless otherwise agreed in the Order, the price shall be determined on the 'Delivered At Place basis (DAP according to INCOTERMS 2010), the delivery place determined in the Order.

16.6. Invoices shall indicate the complete references of the Order and shall be issued by the Supplier in accordance with the due dates stipulated in the Order, subject to the complete performance by the Supplier of their corresponding obligations.

16.7. The Supplier shall issue invoices for non-recurring costs, which include in particular the costs of the preparation of: production, the performance of deliveries, the manufacturing or purchase of tools, machines, etc. in accordance with the Order.

16.8. The Supplier hereby submits to the Purchaser an irrevocable offer for the purchase of tools, machines, etc. planned for the use or used to perform the Order, for a price which does not exceed one percent (1%) of the value of previously paid non-recurring costs. The Purchaser may use the purchase option within six (6) months from the date of the completion of the Order or its termination or expiry. To secure the Purchaser's claims in this respect, the Supplier, on the date of the production or purchase of tools, machines, etc., shall transfer ownership thereof as security for the Purchaser. The Purchaser has the right to mark these tools and machines as their property during that time. When using the purchase option, the Purchaser shall submit a unilateral statement on releasing these tools, machines, etc. from the security and on purchase thereof. Provisions of clause 5, which concerns Materials, apply to tools, machines, etc. described above.

16.9. Unless stipulated otherwise in the Order, the invoices issued by the Supplier shall be paid by the Purchaser within ninety (90) days end of the month from the date of their reception. In the scope exceeding the maximum payment dates, the Supplier shall grant the Purchaser a trade credit included in the price of the Equipment and/ or Service.

16.10. As long as the Supplier has not fully fulfilled their obligations, the Purchaser is authorized to retain all or part of the corresponding payment of the price.

16.11. At any time, the Purchaser is entitled to deduct from payments due to the Supplier in consideration of the performance of their obligations, any amount that the Supplier is accountable for under the Order.

17. CONFIDENTIALITY

17.1. The Supplier undertakes to comply with the confidential nature of any documents, models, plans, drawings, specifications, information, data and other items of information that shall be transmitted to it by the Purchaser or which may come to their knowledge in the

context of the performance of the Order (hereinafter the "Confidential Information") and agrees to refrain from disclosing them to third parties, reproducing them or using them for purposes other than for the performance of the Order, without prior written consent from the Purchaser.

17.2. The term "Confidential Information" shall not apply, however, to information for which the Supplier may provide proof that such information a) was already in the public domain, or b) had become accessible to the public, other than through the Supplier having failed in their contractual obligations.

17.3. The Supplier shall only communicate or disclose Confidential Information to those members of their staff who are directly involved in the performance of the Order and bound by confidentiality requirements to the same extent as those contained in the present Article.

17.4. The Supplier shall not copy nor reproduce, in full or in part, any Confidential Information supplied by the Purchaser without the prior written permission of the Purchaser, with the exception of copies or extracts that may reasonably be necessary for the performance of the Order.

17.5. The Supplier shall in no case use the existence of the Order for advertising, promotional or similar purposes, without the prior written consent of the Purchaser.

17.6. The provisions of the present Article shall remain in full force throughout the term of the Order and for five (5) years after the end termination or expiration of the Order.

18. INTELLECTUAL PROPERTY

18.1. The Purchaser shall possess all rights, including intellectual property rights, in relation to all drawings, sketches, calculations and other documents as well as models and designs provided to the Supplier in connection with Order conclusion.

18.2. In compliance with art. 11 section 4 of the Industrial Property Law Act dated of 30 June 2000, the Parties agree that the right to obtain the patent for an invention, the protective right for a utility model as well as the rights from registration of the industrial design in relation to the inventions, models and designs created in connection with or on the occasion of performance of the Order by the Supplier shall be vested solely to the Purchaser. The Supplier shall be obliged to include relevant provisions in this scope in the agreements concluded with employees or other persons used by it within Order performance.

18.3. The Supplier shall be obliged to provide the Purchaser with full documentation connected with the models, designs and inventions determined above.

18.4. Upon their acquisition, the Supplier shall transfer all proprietary copyright relating to the works created in connection with performance of the Order in the following fields of use: (i) recording on any carriers available at the moment of Order conclusion as well as on any carriers in digital form allowing for the use by means of the computer, Internet and various types of multimedia techniques; (ii) reproduction with the use of any techniques available at the moment of Order conclusion (including offset, photocopy, digital and audio-visual technique) on the carriers determined in article (i); introduction into circulation; (iv) entry in any type of non-volatile computer memory as well as in cache memory; (v) displaying, exhibition, including in the form of posters, illuminated advertisements, etc.; (vi) rental or lease of the reproductions regardless of the form and technique of their recording and reproduction as well as of the applied material carrier or its lack; (vii) broadcasting by means of wired vision or wireless vision by a ground station or via a satellite; (viii) public disclosure in such a way that everybody may have access thereto in a selected place and at a selected time. The Supplier shall also transfer to the Purchaser the right to exercise derivative rights.

18.5. The Supplier also undertakes to transfer to the Purchaser the ownership of carriers on which the work was recorded.

18.6. All rights defined above will be transferred under remuneration due to the Supplier, with no territorial restrictions.

18.7. The Supplier assures that the authors, including the Supplier, will not exercise against the Purchaser or their successors the personal copyright vested to them in relation to the works, including in particular: (i) the right to form integrity; (ii) the right to decide on the first provision to an unlimited number of persons, (iii) the right to author's supervision before the distribution and in the course of the use.

18.8. If within performance of the Order the Supplier uses any objects or software being subject to protection within copyright or industrial property right vested to third parties, it shall be obliged to make all efforts in order to prevent infringement of these rights. The Supplier shall bear full liability for claims for damages or other claims made by the entitled third parties in connection with infringement of these rights.

18.9. If as a result of infringement of the third party rights determined in article 18.6 by the Supplier an entitled third party demands the Purchaser to discontinue the use of the Equipment, the Supplier shall be obliged to eliminate this infringement and its effects at their own cost, with consideration in particular of the litigation costs (including the legal assistance costs) and compensation damages. The above provision shall not exclude the possibility of the Purchaser to demand further compensation damage and to make other claims in order to eliminate or reduce the losses caused by infringement of the third party rights by the Supplier.

18.10. The Purchaser shall be the producer of the databases created, verified or presented in connection with delivery of the Equipment and Services determined in the Order while the exclusive rights to collect and reuse the data shall be vested to the Purchaser.

19. HEALTH AND SAFETY

19.1. The Supplier shall comply with the laws and regulations in force determining the health and safety instructions applicable to the work performed as part of the Order and especially, if appropriate, to the work performed in any Site.

19.2. The Supplier shall also comply with the internal rules at the Purchaser' site(s) where it may have to work for the purpose of performance of the Order.

20. ILLICIT EMPLOYMENT

In accordance with applicable laws the Supplier is also obligated to prevent cases of illegal employment and other violations of the labour law.

21. WARRANTY

21.1. General Provisions

Without prejudice to relevant legal provisions, the Supplier shall grant the Purchaser a quality guarantee for thirty six (36) months from the date of the formal acceptance of the Equipment and/ or Service. Throughout the same Period the Purchaser may exercise rights under the statutory warranty.

21.2. In the guarantee and statutory warranty period the Supplier is obligated to remove, at their cost, each defect of which it is notified by the Purchaser, within two (2) working days from the date of notification thereof by the Purchaser. The defect will be removed at the Purchaser's discretion, by repairing the Equipment and/ or Service or by replacing them with a new one which is free from defects.

21.3. When removing the defect, the Supplier shall also cover the costs related to the logistics, disassembly and re-installation of the Equipment and/ or Services.

21.4. Each replacement or repair, even a partial one, causes the guarantee and statutory warranty period to commence anew for the entire repaired Equipment and/ or Service.

21.5. Furthermore, the Supplier undertakes to ensure subject to further Purchaser's Orders, that the Equipment will remain available, as well as depending on the case, their sub-sets, components or spare parts, in compliance with the Specifications and this shall be for a period of thirty (30) years from the date of the completion of the last Order. Should the Supplier be unable to fulfill such a commitment, it undertakes to transmit to the Purchaser, under remuneration paid thus far, all of the drawings, specifications documentation, specific tools, documents and other information, regardless of the medium they are on, in order to enable the Purchaser perform this obligation.

21.6. Endemic defects

"Endemic Defect" shall mean the same defect affecting at least five (5%) per cent of Equipment 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 Order, measured over a continuous period of twelve (12) consecutive months, from the date of Delivery of the first Equipment until three (3) years after the date of delivery of the last Equipment to the Purchaser.

In the case of an Endemic Defect, regardless of the Supplier's obligation to provide an analysis and action plan within seven (7) calendar days from the date of the notification, the entire delivery is considered affected by the defect, which leads to Supplier's, at the Purchaser's discretion, repairing all the delivered Equipment or replacing all the delivered Equipment with Equipment free of any defects by the date indicated by the Purchaser. If an Endemic Defect affects the same part or the same Equipment in one or more Orders, the Supplier shall repair or replace all of the identical parts or Equipment 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 Equipment.

If the Endemic Defect of the same part or the same Goods is removed, the period of the guarantee and the statutory warranty covering this part or the Goods commences anew.

If an Endemic Defect on the same part or the same Equipment is repaired, the period of the guarantee and the statutory warranty covering this part or the Goods commences anew.

21.7. Reliability targets (MTBF) are defined in the Specifications attached as an Appendix to the Order.

Notwithstanding any possible application of penalties relating to reliability defined in the Special Conditions, Goods shall remain covered by the warranty defined in Article 21 of the Order as long as the reliability commitments have not been reached.

22. LIABILITY

22.1. The Supplier shall be fully liable for all property losses, both actual losses and lost benefits, as well as for non-property losses, regardless of the fact whether the obligation to remedy the loss results from liability of the Supplier in contract or in tort. The liability of the Supplier shall be extended on their subcontractors, representatives, agents and plenipotentiaries.

22.2. The employees of the Supplier shall be in every situation considered as representing the Supplier and remaining under their administration and hierarchical control.

22.3. If the Supplier fails to perform any of their contractual obligations, the Purchaser has the right to the substitute performance of this obligation without a separate consent of the court.

23. INSURANCE

23.1. The Supplier shall hold insurance policies covering their civil and professional liability under the obligations defined in the Order. These policies should be issued for the amount corresponding at least to the value of the Order.

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 state that the payment of insurance premiums relating thereto has been made.

23.2. The Supplier undertake to keep their insurance policies in force as long as it is under an obligation under the terms of the Order. 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 subject of a new certificate that shall be sent to the Purchaser.

24. FORCE MAJEURE

24.1. If the performance of a contractual obligation is prevented, restricted or delayed by a case of force majeure, assuming that the Supplier's responsibility is formed based on the principle of risk, the party on whom the obligation is incumbent shall be exempted from any liability resulting from this prevention and the deadlines it shall have been given for the performance shall be extended accordingly.

24.2. 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 Equipment and/ or performing the Services.

25. SUSPENSION – TERMINATION

25.1. The Purchaser reserves the right to suspend the performance of the Order 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. After thirty (30) calendar days from the suspension the Purchaser has the right to terminate the Order or to withdraw from it and to pay only for deliveries completed thus far.

25.2. The Purchaser may terminate the Order if: a) If an event of force majeure occurs that is of such a nature as to delay the performance of the Order by more than thirty (30) calendar days, without further formality other than the dispatch to the other party of registered letter with acknowledgement of receipt or b) The other Party fails in any of their obligations under the Order 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.

25.3. The Purchaser has the right, at their discretion, to terminate or withdraw from the entire Order or a part thereof if during their performance it becomes apparent that the subject of the Order will be rejected, in whole or in part, by the end user of the Equipment and/ or Service.

25.4. The Purchaser may terminate the Order for convenience with one (1) months' notice, merely by sending a registered letter with acknowledgement of receipt to the Supplier.

25.5. The Purchaser may terminate or withdraw from the entire Order or the outstanding part if there is a corresponding Order that exists between the Purchaser and the end-user of the Equipment and/ or Services and that this Order has been terminated or withdrawn.

25.6. Any liability of the Purchaser for the unjustified termination or withdrawal from the Order is limited to actual and justified costs understood as duly incurred costs, and in the justified amount, for the performance of the Order until its termination of withdrawal from it, provided that the Supplier has fulfilled their obligations and shall otherwise have no other means of avoiding or recovering them. In no case may this compensation exceed the amount of the Order.

25.7. The Supplier shall introduce into their own orders or sub-contracting contracts linked to the Order, similar provisions to those contained above in order to limit as much as possible the effects of possible damage.

26. TAXES AND DUTIES

26.1. The Supplier shall be responsible for payment of any types of taxes, duties and premiums, to the payment of which it is obliged due to delivery of the Equipment or provision of the Services.

26.2. The Purchaser shall be entitled to deduct any taxes, premiums and similar charges from the payments due to the Supplier under the terms of the Order if the Supplier fails to provide the Purchaser with the necessary certificates confirming exemption from such type of charges.

27. ASSIGNMENT AND SUB-CONTRACTING

27.1. The Supplier may not transfer the rights and obligations resulting from the concluded Order in their entirety or in a part to any other entity without prior written consent of the Purchaser.

27.2. The Supplier may not sub-contract the production of the Equipment and/ or Services unless the Purchaser has provided their consent in writing and in advance. The abovementioned restriction shall not apply, however, in the case of sub-contracting raw materials or minor elements nor to parts of the Equipment for which the sub-contractor is designated in the Order. Even though covered by such consent, the Supplier shall remain solely liable for all of the Equipment supplied and/ or the Services performed by it and all of their sub-contractors.

27.3. The Purchaser reserves the right to have their rights and obligations under the Order performed by themselves or any other Company in the ALSTOM Group.

28. SUSTAINABLE DEVELOPMENT

The Supplier acknowledges having read and being fully aware of the Charter for sustainable development adopted by ALSTOM currently in force which is available on ALSTOM's website at the following address: www.alstom.com. It undertakes to respect the principles thereof, which comply with the United Nations "Global Compact" to which ALSTOM subscribed in 2008.

29. APPLICABLE LAW – LITIGATION

29.1. The Order shall be subject to the provisions of the Polish law.

29.2. Any disputes occurring in performance of the Order, which the parties are not able to solve in an amicable manner, shall be settled by a common court having jurisdiction over registered office of the Purchaser.

29.3. Application to the Contract of the United Nations Convention on Orders for the international sale of Equipment, signed in Vienna in 1980 is expressly excluded.