

**1. Order Contents, Acceptance and Order of Precedence**

1.1. Each purchase order issued by ALSTOM to Supplier (each an “**Order**”), to the extent required, shall contain: (i) description of the work to be performed by Supplier, including any products and/or services to be provided by Supplier (“**Deliverables**”); (ii) unit prices, line item prices and total amount of the Order (“**Order Amount**”); (iii) delivery schedule; (iv) technical specifications and/or statements of work; (v) these General Purchase Conditions (“**GPC**”); and (vi) flowdown provisions (“**Flowdowns**”) from a prime contract (“**Prime Contract**”) between ALSTOM and one of its customers (“**Customer**”). The Flowdowns may be set forth in a separate document (“**Specific Agreement**”).

1.2. ALSTOM and Supplier are referred to in these GPC and Orders, individually, as a “**Party**”, and, collectively, as the “**Parties**”. The term “**Order**” shall include all Change Orders and Schedule Agreements issued in connection therewith. ALSTOM may refer to, and use, the term “**Flowdowns**” interchangeably with the terms “**Project**”, “**Project Flowdowns**” or similar project-related terms.

1.3. In the event of conflicts, the order of precedence shall be: (i) Orders, including Flowdowns / Specific Agreement; and (ii) these GPC.

1.4. Unless otherwise notified in writing by ALSTOM to Supplier, commencement of any work specified in the Order by Supplier on behalf of ALSTOM shall be authorized by ALSTOM only through the issuance of Orders.

1.5. Supplier’s express acknowledgement of an Order or Supplier’s commencement of work specified in an Order implies acceptance by Supplier of the terms and conditions contained in an Order. ALSTOM is not obligated to compensate Supplier in the event that Supplier commences performance of such work without ALSTOM’s express authorization.

1.6. No terms, conditions, exceptions or clarifications stated by Supplier verbally or in its proposal or in accepting or acknowledging these GPC or an Order shall be binding unless expressly agreed in writing by ALSTOM and stated in such Order.

1.7. ALSTOM and Supplier shall bear their respective costs related to execution of Orders.

1.8. Unless otherwise authorized in writing by ALSTOM, Supplier shall not communicate directly with ALSTOM’s Customer.

1.9. ALSTOM shall have the right to require Supplier to assure Order performance by means of security instruments, including without limitation: (i) surety bonds; (ii) letters of credit; and (iii) guarantees.

**2. Scope of Work**

The work specified in the Order may include, without limitation, the design, manufacture, shipment, delivery, invoicing or delivery of Deliverables or the performance of related services. Supplier shall furnish all labor, materials, equipment, tools, supplies, services, permits, certifications, documentation and all other things, free of liens or other adverse lien against title, and necessary to perform an Order.

**3. Prime Contract Flowdowns**

3.1. Where Deliverables are for the furnishing of a portion of work under a Prime Contract between ALSTOM and a Customer, the applicable Flowdowns from such Prime Contract shall be identified and set forth either in an Order or in a Specific Agreement, either directly or by reference.

3.2. Supplier shall incorporate applicable Flowdowns into relevant contracts with its subcontractors.

**4. Supplier Representations**

4.1. Supplier warrants and represents that it: (i) has examined the documents comprising an Order, including, without limitation, these GPC, and the requirements set forth therein and all other requirements from governmental agencies having jurisdiction over Supplier and the work to be performed by Supplier under an Order, and (ii) is authorized and capable of performing the work and complying with those requirements.

4.2. Supplier acknowledges that no representation as to an Order have been made by ALSTOM or by anyone on its behalf, except as are expressly set forth herein or therein.

**5. Order Amount; Payment Terms and Invoicing**

5.1. ALSTOM shall pay Supplier the Order Amount for the satisfactory performance and delivery of Deliverables pursuant to an Order and these GPC.

5.2. Unless otherwise stated in an Order, Deliverables shall not include any price increases or escalation for the duration of such Order, and shall include, without exception, all expenses related to the production and delivery of said Deliverables.

5.3. Payment of invoices issued by Supplier in conformity herewith shall be made by ALSTOM in accordance with the payments terms shown on Orders; such term shall begin at the invoice date of the associated Deliverables. For Suppliers participating in ALSTOM’s Electronic Settlement System (“**ERS**”), the invoice date will equal the Deliverable receipt date.

5.4. To the extent required, each invoice shall include: (i) invoice number; (ii) Order number; (iii) description of the Deliverables; (iv) price by Order line item number; (v) Order Amount; and (vi) be accompanied by supporting documentation.

**6. Supplier Personnel**

All Supplier personnel shall be qualified and capable of meeting industry standards of workmanship and performance to fulfill Order requirements. ALSTOM may request replacement of any of Supplier’s personnel at no additional cost to ALSTOM.

**7. Taxes**

Supplier shall be responsible for payment of all taxes, duties, levies and charges of whatsoever nature or kind in respect to delivery of Deliverables. Supplier shall pay and hold ALSTOM harmless from any such taxes (including penalties and interest) of any taxing jurisdiction which Supplier is required to pay.

**8. Insurance**

8.1. Unless otherwise stated in Orders, for each Order including its warranty period, Supplier shall maintain the following minimum insurance coverages issued by insurance companies acceptable to ALSTOM with A.M. Best financial

strength rating of not less than “A-” and financial size rating of not less than Class “VII”: (i) Commercial General Liability Insurance with minimum limits of 5,000,000 USD per occurrence for bodily injury and property damage, including coverage for personal injury, products and completed operations, and contract liability, including but not limited to liability assumed under the indemnification provisions set forth in these GPC. This insurance shall include a severability of interests or cross liability clause and be primary and non-contributory to any similar insurance maintained by ALSTOM. Supplier may satisfy insurance limits required herein through any combination of primary and excess / umbrella coverage; (ii) Automobile Liability Insurance with minimum combined single limit of 2,000,000 USD per accident for bodily injury and property damage for all owned, non-owned, leased and hired vehicles used by Supplier in connection with Orders. This insurance shall be primary and non-contributory to any similar insurance maintained by ALSTOM; and (iii) Workers’ Compensation Insurance as required by Federal or State Laws and Employer’s Liability Insurance with minimum limits of 2,000,000 USD for bodily injury by accident, each accident; 2,000,000 USD for bodily injury by disease, policy limit; and 2,000,000 USD for bodily injury by disease, each employee; and (iv) Professional Liability Insurance with minimum limits of 3,000,000 USD per claim arising out of services performed by Supplier, or any person employed or subcontracted by Supplier. Supplier shall maintain Professional Liability Insurance required herein for a minimum period of three (3) years following expiration of the warranty period.

8.2. With exception of Workers’ Compensation, Employer’s Liability and Professional Liability, ALSTOM, its directors, officers, employees, agents, parents, Affiliates and legal entities shall be included as Additional Insureds. Insurers affording any of the insurance required herein, including any and all deductibles or self-insured retentions, must waive, or caused to be waived, any and all rights of subrogation which might now or hereafter exist against ALSTOM, its directors, officers, employees, agents, parents, Affiliates and legal entities to the fullest extent permitted by law.

8.3. Supplier shall provide ALSTOM with satisfactory evidence of minimum coverage required herein by providing a Certificate of Insurance along with copies of Additional Insured and Waiver of Subrogation endorsements at the coming to effect of an Order and upon applicable insurance policy renewal periods.

8.4. Insurance required herein shall not be canceled or materially changed without advance written notice to ALSTOM.

## **9. Confidential Information**

9.1. “**Confidential Information**” shall mean information in any form and by any means of conveyance obtained by one Party from the other that is not generally known to the public and that a reasonable person would deem confidential.

9.2. The receiving Party shall use the same degree of care as it uses to protect the confidentiality of its own Confidential Information of like nature, but no less than a reasonable degree of care, to maintain in confidence the Confidential Information of the disclosing Party..

9.3. The receiving Party agrees not to use any Confidential Information for any purpose except to evaluate such Confidential Information or engage in discussions with the disclosing Party.

9.4. The receiving Party shall not reverse engineer, disassemble, or decompile any prototypes, software or other tangible objects which embody Confidential Information.

9.5. Except as set forth in Section 9.11, the receiving Party shall not disclose any Confidential Information to any person or entity other than those officers, directors, employees, advisors, consultants and financial institutions (“**Representatives**”) of the receiving Party who are required to have the information in order to evaluate such Confidential Information or engage in discussions with the disclosing Party.

9.6. The receiving Party agrees to inform its Representatives of the confidential nature of Confidential Information. The receiving Party is responsible and liable for any breach of these confidentiality terms by any of its Representatives.

9.7. The receiving Party shall immediately notify the disclosing Party upon discovery of any loss or unauthorized disclosure of Confidential Information.

9.8. A Party’s Affiliate, by virtue of its involvement in such Party’s performance hereof, may receive Confidential Information from the other Party and/or other Party’s Affiliates. Therefore the receiving Affiliate is automatically tacitly considered as having knowledge of the foregoing confidentiality terms and tacitly agreed to comply therewith. A Party disclosing Confidential Information to its Affiliates is responsible to inform such Affiliates of the terms of confidentiality contained herein and to bind the latter by written acknowledgement and agreement to comply with such terms. The receiving Party is responsible and liable for any breach of these confidentiality terms by any of its Affiliates and its Affiliates’ Representatives.

9.9. Any Confidential Information or data in any form transferred by one Party to the other Party shall be governed by these GPC even if it is not specified.

9.10. The foregoing confidentiality obligations do not apply to information which: (i) has entered the public domain, except where such entry is the result of the receiving Party’s breach hereof; (ii) prior to disclosure hereunder was already rightfully in the receiving Party’s possession; or (iii) subsequent to disclosure hereunder is obtained by the receiving Party on a non-confidential basis from a third party who has the right to disclose such information to the receiving Party.

9.11. The receiving Party will be authorized to disclose Confidential Information pursuant to a valid order issued by a court, government agency or relevant regulatory authority (including a stock exchange), provided that the receiving Party provides where practicable: (i) prior written notice to the disclosing Party of such obligation and (ii) the opportunity to oppose such disclosure.

9.12. All Confidential Information in the possession of the receiving Party shall be and remain the property of the disclosing Party.

9.13. At any time during the term of an Order, or thereafter, the disclosing Party may request return or destruction of Confidential Information, including all formats and copies

thereof. Within thirty (30) days of such notice the receiving Party shall promptly return or destroy such Confidential Information, with any such destruction certified in writing.

#### **10. Intellectual Property Rights**

10.1. Each Party attests that it is owner of or has full rights to Intellectual Property used in performance of an Order. For purposes of these GPC and Orders, “**Intellectual Property**” means all rights and interests held or otherwise controlled by Supplier or subcontractors of Supplier worldwide in and to any and all: (i) patent applications and patents; (ii) proprietary knowledge, data and trade secrets; (iii) engineering data and information; (iv) software and systems; (v) copyrights and works of authorship; (vi) drawings, designs, specifications and notes; and (vii) other works prepared, developed or acquired in performance of any work or services under Orders.

10.2. Each Party shall indemnify and hold harmless the other against third party claims for infringement or misappropriation of Intellectual Property rights.

10.3. If such brought claim is upheld in a court of competent jurisdiction the infringing Party shall reimburse the other for costs in defense of it.

10.4. To the extent possible, the infringing Party shall remedy the infringing item to allow for continued performance of an Order, and shall bear such related costs.

10.5. Supplier agrees to indemnify and to save ALSTOM, its officers, agents, employees and vendees harmless from any and all loss, expense, damage, liability, claim or demand either at law or in equity for actual or alleged infringement of any Intellectual Property arising from the purchase, use or sale of materials or articles required by an Order, except where such infringement or alleged infringement arises by reason of designs for such materials or articles originally furnished to Supplier by ALSTOM.

10.6. The Party having ownership or rights to Intellectual Property at the coming to force of an Order shall perpetually retain such ownership or rights.

10.7. Supplier shall grant to ALSTOM, its Affiliates, partners and Customers, the right to use and exploit Supplier Intellectual Property or rights to Intellectual Property on Deliverables used in end-products; such grants shall be paid up, free of charge, royalty free, irrevocable, perpetual, unlimited, non-exclusive, worldwide, and except for ALSTOM, its Affiliates, partners and Customers, non-transferable and non-assignable.

10.8. ALSTOM shall be sole, exclusive and perpetual owner of any designs or any other Intellectual Property which is developed by Supplier at ALSTOM’s request during the performance of an Order.

#### **11. ALSTOM’s Property**

11.1. ALSTOM may, but is not required to, furnish from time to time, tools, equipment or materials to Supplier for the performance of Orders, and all such tools, equipment or materials of every description so furnished to Supplier by ALSTOM or acquired by Supplier and paid for by ALSTOM, and any replacement thereof, or any materials affixed thereto, (“**ALSTOM’s Property**”), shall be and remain the personal property of ALSTOM.

11.2. Supplier shall not substitute any property for ALSTOM’s Property and shall not use such property for any other purpose than the performance of an Order or as otherwise instructed by ALSTOM.

11.3. Such ALSTOM’s Property, while in Supplier’s custody or control shall be: (i) conspicuously labeled by Supplier as ALSTOM’s Property; (ii) held at Supplier’s risk; and (iii) kept insured by Supplier at Supplier’s expense in an amount equal to the full replacement cost with loss payable to ALSTOM.

11.4. Data, drawings, tooling, patterns, materials, specifications and any other goods or information supplied to Supplier hereunder are the property of ALSTOM and must be returned upon completion, termination or cancelation of an Order or upon request of ALSTOM.

#### **12. Liability for Damages and Personal Injury**

12.1. Supplier hereby assumes responsibility for any and all bodily injury (including death) to all persons, whether employees of Supplier or otherwise, and damage to all property, to the extent that such damage or injury is caused by, results from, arises out of, or occurs in connection with Supplier’s execution of an Order.

12.2. Supplier shall defend, indemnify and save harmless ALSTOM from and against any and all claims, damages, losses, liabilities, injuries, costs and expenses (including reasonable attorneys’ fees and disbursements) arising out of or resulting from Supplier’s performance of or failure to perform an Order to the extent that such claim, damage, loss, liability, injury, cost and expense is caused by any act or omission, including negligence, of Supplier or anyone directly or indirectly employed by Supplier or anyone for whose acts Supplier may be liable for.

12.3. The limitation of Supplier’s total liability to ALSTOM shall be set forth in Orders or in Specific Agreements, or in the absence of a specific limitation, 100% of Order Amount, and such limit shall not apply to: (i) fraud, willful misconduct, gross negligence of Supplier or its employees, agents or representatives; (ii) indemnification obligation arising from third party claims for damages or destruction of property, personal injury or death, infringement or misappropriation of intellectual property, or any other loss or damage of a third party arising from, or as a consequence of, an act or omission of Supplier; and (iii) breach of any ethics and compliance obligation set forth in ALSTOM’s Code of Ethics or any other confidentiality or warranty obligation.

12.4. Notwithstanding any other provision in these GPC to the contrary, neither Party shall under any circumstance be liable to the other Party for any indirect, incidental, special or consequential damages (including, without limitation, any damages arising from loss of use or lost business, revenue, profits, data or goodwill) arising in connection herewith, whether in an action in contract, tort, strict liability or negligence, even if advised of the possibility of such damages.

#### **13. Compliance with Law**

13.1. Supplier shall at its sole cost and expense comply with all applicable Federal, State, municipal and local laws, ordinances, rules, regulations, orders, notices and requirements, and be

responsible for and shall correct at its sole expense any violation of any law, ordinance, rule, regulation, order, notice or requirement resulting from or in connection with performance of an Order.

13.2. If Supplier performs an Order at ALSTOM's or Customer's premises, it shall comply with all environmental, health and safety regulations as ALSTOM or Customer may require.

#### **14. Delivery Schedule**

14.1. Time is of the essence; failure to meet scheduled delivery dates shall constitute a material breach of the Order.

14.2. ALSTOM shall communicate delivery schedules to Suppliers in Orders, whether in Purchase Orders, Change Orders or Scheduling Agreements.

14.3. Supplier shall notify ALSTOM of any real or potential issue which may adversely impact their ability to meet the delivery schedule immediately upon first becoming aware of such issue, and to the extent possible, Supplier shall address such issue so as to avoid a late delivery.

14.4. If Supplier deliveries fall behind schedule resulting in use of premium transportation, Supplier shall pay the cost of such premium transportation.

14.5. ALSTOM shall return unauthorized over-shipments to Supplier at Supplier's expense.

14.6. Delays, adjustments or interruptions to ALSTOM's production schedule may cause ALSTOM to make changes to the Schedule Agreement, in accordance with Section 18 (*Change Orders; Additions and Deletions*).

14.7. If Supplier makes any material commitments or production arrangements in excess of the amount or in advance of the time necessary to meet the requirements set forth in Orders, Supplier shall do so at its own risk. .

#### **15. Inspection and Quality**

15.1. ALSTOM and its Customer shall have the right to visit and inspect any part of Supplier's process to design and produce Deliverables under an Order, either at Supplier's facility or Supplier's subcontractors' facilities.

15.2. Supplier shall maintain a Quality Management System as certified by—or as equivalent to—International Railway Industry Standard (IRIS) or the International Organization of Standards (ISO) 9001; ALSTOM reserves the right to audit Supplier's quality system.

15.3. Supplier shall perform in-process and final inspection and testing to ensure that Deliverables conform to required specifications and quality standards. ALSTOM reserves the right to witness any testing and Supplier agrees to keep and make available to ALSTOM upon request adequate quality records which clearly demonstrate Supplier's inspection and testing of Deliverables prior to ALSTOM and/or Customer performed inspection at Supplier's facility, and such inspection shall not constitute final acceptance of Deliverables or waive the rights of ALSTOM and/or Customer under this Section 15 or any other Section herein.

15.4. ALSTOM reserves the right to reject nonconforming Deliverables any time between the date of delivery and the end of the warranty period. In such case, Supplier shall grant to

ALSTOM a credit for the full value of the rejected Deliverables and be subject to the provisions in Section 22 (*Backcharge*).

15.5. Additional inspection may be required due to Supplier technical modifications and/or modifications to the location of the production site, production process, tools, materials and/or subcontracts placed with Supplier's subcontractors. Supplier shall submit such proposed changes or modifications to ALSTOM for approval at least forty five (45) days prior to their implementation. Failure to so submit such proposed changes or modifications may delay acceptance of Deliverables, and should such delay result in a late delivery, it shall be subject to Section 16 (*Liquidated Damages*).

#### **16. Liquidated Damages**

16.1. If Supplier does not deliver Deliverables in accordance with Order delivery schedules, save for reasons exclusively attributable to ALSTOM or force majeure events as defined under Section 20 (*Force Majeure; Delays and Remedies*), ALSTOM may apply liquidated damages for compensation for delay, without any prior notice to Supplier or to any surety.

16.2. Unless otherwise stipulated in Orders, liquidated damages, applicable in the event of a delay by Supplier, shall be calculated at the rate of one percent (1%) of the value of the delayed Deliverable line item, excluding taxes, per week of delay or part thereof, and such liquidated damages shall be capped at ten percent (10%) of the total Order Amount.

16.3. For avoidance of doubt, liquidated damages provided under this Section 16 are not intended to fully compensate ALSTOM or liquidate Supplier's liabilities for costs or damages incurred by ALSTOM resulting from Supplier's failure to comply with other obligations under these GPC and Orders, or third party claims related to such Supplier's failure. Further, such liquidated damages are not in lieu of any termination or other express rights of ALSTOM as set forth in these GPC.

16.4. The Parties agree that payment of such liquidated damages will not relieve Supplier of its obligations under these GPC and Orders, and that subject to the foregoing, this Section 16 is without prejudice to any other indemnities to which ALSTOM is entitled under these GPC.

16.5. The Parties further agree that the extent of damages that would result from such delay would be uncertain in amount and difficult to ascertain and that such liquidated damages are not a penalty and represent their genuine mutual pre-estimate of the particular damages ALSTOM would incur as a result of the occurrence of such delay.

16.6. The remedy provided for by this Section 16 is cumulative with and in addition to all other rights ALSTOM has hereunder and all other remedies to which ALSTOM is entitled at law or in equity in respect of facts, circumstances, events or occurrences other than delays described in this Section 16.

16.7. Liquidated damages payable pursuant to this Section 16 may be retained by ALSTOM from and may be offset by ALSTOM against monies due or to become due to Supplier, and if none, or if the remaining monies to become due are less than the outstanding amount of the liquidated damages, ALSTOM shall invoice Supplier for the remaining amount which becomes due and Supplier shall pay such invoice upon demand.

**17. Warranty**

17.1. Supplier warrants that all Deliverables shall: (i) contain new materials; (ii) be defect free; (iii) comply with these GPC and Order requirements; (iv) be produced by trained, capable personnel; (v) be produced by capable, controlled machines, systems and processes; (vi) comply with applicable laws and regulations; and (vii) in lieu of explicit Order requirements, comply with commercial engineering, quality, manufacturing, packaging and logistics practices.

17.2. Supplier shall, at ALSTOM's sole discretion, repair or replace any Deliverable or component part thereof found not to be in conformity with Order requirements, provided that ALSTOM notifies Supplier of such nonconformity within twenty four (24) months from the date on which ALSTOM's system, or set or product which incorporated the Deliverable is put into service, and a maximum of thirty six (36) months from ALSTOM's receipt of the Deliverable.

17.3. Should Supplier not respond within twenty four (24) hours of ALSTOM's notice of such nonconformity, unless otherwise stated in ALSTOM's notification, ALSTOM shall repair, scrap or replace the Deliverable and debit Supplier's account in accordance with Section 22 (*Backcharge*).

17.4. In addition, and at any time, if Deliverables used under normal operating conditions suffer from an excessive level of similar defects, as determined by ALSTOM and/or the Customer, and validated by Supplier, Supplier shall promptly and at its expense: (i) diagnose the source of the failure; (ii) provide ALSTOM with a corrective and curative action plan; and (iii) implement said plan as directed by ALSTOM.

17.5. For Deliverables that have been replaced or repaired, either by ALSTOM or Supplier, the warranty period stated under Section 17.2 shall restart when ALSTOM receives the replaced or repaired Deliverables.

17.6. Supplier shall defend, indemnify and hold ALSTOM harmless from consequences of breach of warranty provided by this Section 17, which shall not be to the exclusion of any other remedy provided to ALSTOM by these GPC or at law.

**18. Change Orders; Additions and Deletions**

18.1. ALSTOM may at any time during the performance of an Order require any change to an Order without obligation to give notice to any surety. Supplier shall execute the change as directed in writing by ALSTOM pursuant to change of orders (each, a "**Change Order**").

18.2. Supplier shall be entitled to an equitable adjustment in Order Amount and/or delivery schedule caused by a Change Order, provided Supplier submits such request for equitable adjustment in writing within fifteen (15) days after issuance of such Change Order by ALSTOM.

18.3. Supplier requests for equitable adjustment shall include detail and supportable rationale sufficient for ALSTOM to make quantitative and qualitative assessments as to the fairness and reasonableness of such requests.

18.4. The Parties shall negotiate in good faith to determine a fair and reasonable equitable adjustment to the Order Amount and/or delivery schedule.

18.5. If Supplier is unwilling or unable to perform a Change Order within a reasonable period of time, ALSTOM shall have

right to perform it or cause it to be performed without consideration due to Supplier.

**19. End-Product Service Life**

19.1. Orders shall be structured to ensure a continuous and uninterrupted supply of Deliverables over the service life of the end-product, typically thirty (30) years or longer, which may include but not limited to performance security instruments, spares and/or consignment stock.

19.2. Supplier shall maintain capability to produce and deliver Deliverables over the end-product service life.

19.3. Supplier shall retain Order records over the end-product service life.

19.4. Supplier shall promptly inform ALSTOM of any actual or potential disruption of Deliverables over the end-product service life, as may be caused by but not limited to: (i) obsolescence; (ii) discontinuance of operations; and (iii) bankruptcy.

19.5. The Parties shall cooperate to resolve such end-product service life disruption instances.

**20. Force Majeure; Delays and Remedies**

20.1. If the performance of an obligation hereof is prevented, restricted or delayed by a cause of force majeure, such as any act of God, the public enemy, any delay in acting or failure to act of any governmental agency or authority, fire, flood, epidemic, quarantine, freight embargo, terrorism, war, insurrection, riot or other such similar circumstances beyond the reasonable control of a Party, such performance shall be amended accordingly, providing the Party affected by a force majeure event shall promptly inform the other Party in writing and shall take all reasonable steps to mitigate the consequences of such situation, in particular to avoid or limit any delay to the delivery schedule.

20.2. Whenever any actual or potential labor dispute delays or threatens to delay timely performance of an Order, Supplier shall immediately give notice to ALSTOM.

20.3. The obligations and rights of the defaulting Party shall be extended for a period of time equal to the period during which such event prevented such Party's performance.

20.4. The Parties shall cooperate to develop and execute a recovery plan in such cases.

**21. Export Control**

21.1. In performing their respective obligations under these GPC and Orders each Party shall comply with United States export control and asset control laws, regulations and orders, including sanctions and embargos, as they may be amended from time to time, applicable to the export or re-export of goods or services, including software, technology, processes or technical data.

21.2. Such regulations include without limitation: (i) Export Administration Regulations (EAR); (ii) International Traffic in Arms Regulations (ITAR); and (iii) regulations and orders administered by the Treasury Department's Office of Foreign Assets Control (OFAC).

21.3. The Party conducting an export or re-export as defined in such laws, regulations and orders shall be responsible for

obtaining the required authorizations. Each Party shall reasonably cooperate with and exercise reasonable efforts to support the other Party in obtaining any necessary license or authorization required to perform its obligation under these GPC and Orders.

**22. Backcharge**

22.1. Without waiving any of its rights under Section 25 (*Termination for Default*) or Section 26 (*Termination for Convenience*), in the event that ALSTOM rejects Supplier's Deliverable in accordance with Section 15 (*Inspection and Quality*), ALSTOM shall be entitled to recover from Supplier any and all costs incurred by ALSTOM as a result of such rejection, which may include a minimum administrative fee of not less than five hundred (500) USD per nonconformance event, and such fee shall not be considered as a sole remedy for Supplier's default and is without prejudice to any other remedies available to ALSTOM.

22.2. In the event Supplier is unable or unwilling to correct rejected Deliverables and/or to complete the corrective action thereto in an acceptable and timely manner, ALSTOM shall have the right to perform the corrective action or cause it to be performed and backcharge Supplier the costs thereof.

**23. Withholding and Set-Off of Payments**

23.1. ALSTOM shall have the right at any time to withhold and/or set-off payments due or to become due Supplier an amount which it reasonably deems sufficient to compensate it for and indemnify it against any and all losses, liabilities, damages, costs and expenses, including legal fees and disbursements which may be sustained or incurred by it based on Supplier's failure to meet Order requirements.

23.2. If the amount withheld together with the balance due under an Order is insufficient to discharge Supplier's obligation hereinabove Supplier shall be liable for the difference and pay the same to ALSTOM upon demand.

**24. Suspension of an Order**

24.1. ALSTOM may at any time and for whatsoever reason cause the temporary suspension of an Order for up to ninety (90) days at a time.

24.2. Supplier shall resume an Order within ten (10) days after receipt of ALSTOM's written notice to recommence such Order.

**25. Termination for Default**

25.1. ALSTOM may terminate an Order in whole or in part at any time in the event that: (i) Supplier is in default of its obligation under an Order and does not cure or submit a plan acceptable to ALSTOM to cure such default within ten (10) days of receipt of ALSTOM's written notification thereof or (ii) Supplier becomes insolvent or is adjudicated as bankrupt or goes into liquidation or dissolution either voluntarily or involuntarily or under court order or makes a general assignment for the benefit of creditors or otherwise acknowledges insolvency.

25.2. In the event of termination under Section 25.1 hereinabove ALSTOM may: (i) terminate all or any portion of an

Order or (ii) perform such Order or cause it to be performed and backcharge Supplier for the costs thereof.

25.3. If ALSTOM wrongly terminates Supplier for default such termination shall be deemed a termination for convenience and Supplier shall be compensated in accordance with Section 26 (*Termination for Convenience*).

**26. Termination for Convenience**

26.1. ALSTOM may terminate an Order in whole or in part at any time for its convenience by giving written notice thereof to Supplier. Upon receipt of such notice Supplier shall immediately stop all work on affected portions of such Order and direct any affected subcontractors to similarly stop work, it being specifically understood that Supplier has an express duty to mitigate its costs associated with such termination.

26.2. ALSTOM shall not be responsible for any work done or costs incurred by Supplier after issuance of the notice of termination.

26.3. In the event of a termination for convenience of an Order, Supplier shall provide to ALSTOM within fifteen (15) days after issuance of the notice of termination an accounting of affected Deliverables and component parts thereof and any ALSTOM's Property in its possession. Supplier shall segregate and hold such affected Deliverables and component parts and ALSTOM's Property until ALSTOM issues disposition instructions thereto.

26.4. In the event of a termination for convenience of an Order, provided Supplier is in compliance with its obligations under such Order, Supplier shall have right to request payment for work completed up to the issuance of the notice of termination and costs to perform the termination. Such request for payment shall: (i) be provided in writing within thirty (30) days after issuance of the notice of termination; (ii) include detail and supportable rationale sufficient for ALSTOM to make quantitative and qualitative assessments as to fairness and reasonableness; (iii) not include profit on work not yet performed; and (iv) not exceed Order Amount less payments previously made.

26.5. The Parties shall negotiate in good faith to determine a fair and reasonable settlement of payment due Supplier under a termination for convenience of an Order.

**27. Hazardous Materials**

27.1. Deliverables that may pose harm to people, other living things, property or the environment are referred to as hazardous materials.

27.2. Supplier shall: (i) inform ALSTOM of such Hazardous Materials prior to shipment; (ii) provide instructions regarding proper transport, handling, usage and storage of such Deliverables; and (iii) conspicuously label such Deliverables and associated packaging with warnings and instructions, including as appropriate Material Safety Data Sheets (MSDS).

**28. Directed Sourcing and Alternate Sourcing**

28.1. ALSTOM sourcing decisions on Orders may be affected by Customer directed requirements, such as but not limited to: (i) local content and (ii) disadvantaged / minority and small business enterprises.

28.2. To the extent possible the Parties shall cooperate to meet such requirements, which may involve relocation of operations or alternate sourcing.

28.3. ALSTOM shall not be liable to Supplier for such alternate sourcing decisions.

**29. Disputes; Claims and Controversies**

29.1. In the event that a dispute, claim or controversy (each a "Dispute") in connection with these GPC or an Order is not resolved amicably by the Parties, it shall then be submitted to arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association (AAA). The proceedings shall take place in New York, New York. The language of such arbitration shall be English. The award shall be final and binding upon the Parties and judgment on the award rendered by the arbitrator(s) may be entered in any Court having jurisdiction thereof.

29.2. Each Party shall bear its own costs in connection with the preparation and presentation of such arbitration. Costs of the proceedings shall be assessed against the non-prevailing Party as determined by the arbitrator.

29.3. Supplier shall proceed diligently with the performance of the work during pendency of any Dispute and in accordance with any determinations by ALSTOM.

**30. Governing Law**

These GPC and Orders shall be governed by and construed and enforced in accordance with the laws of the State of New York without regard to choice of law or conflicts in law.

**31. Assignment**

These GPC and Orders shall be binding upon and inure to the benefit of the Parties and their respective successors and permitted assigns. No rights or obligations set forth in these GPC or the Orders shall be assignable or otherwise transferable by Supplier in whole or in part without receiving the prior written consent of ALSTOM.

**32. Amendment**

Any amendment to these GPC or Orders shall only be valid and binding upon the Parties if concluded in writing and signed by an authorized representative of each Party and formally expressed as constituting an amendment hereto.

**33. Change of Control**

The Parties shall promptly inform one another of any material change in control and/or ownership.

**34. Subcontracting**

Supplier shall not subcontract any material portion of an Order without first obtaining written consent of ALSTOM.

**35. Publicity**

Supplier shall not publish photographs or articles, give press releases, make speeches or use the name "ALSTOM" in promotions, advertisements or marketing materials, or otherwise publicize the existence or scope of or any information or details about an Order, Prime Contract, Specific

Agreement or any other related document without first obtaining the written consent of ALSTOM.

**36. Waiver**

No failure or delay on the part of either Party to exercise any of its rights under these GPC or Orders shall operate as a waiver thereof, nor shall any single or partial exercise by either Party of any right preclude any future exercise thereof or the exercise of any other right.

**37. Notices**

37.1. Notices under these GPC and Orders shall be in writing and will be deemed given when: (i) delivered personally; (ii) sent by confirmed facsimile; (iii) sent by electronic mail that can be confirmed as received; (iv) five (5) days after sent by registered or certified mail, return receipt requested; or (v) one (1) day after deposit with a commercial overnight carrier specifying next day delivery, with written verification of receipt.

37.2. Communications to ALSTOM will be sent to the address indicated on Orders; communications to Supplier will be sent to the address specified on Orders, or to such other address as designated by either Party by written notice to the other Party.

**38. Severability**

Any provisions herein or in Orders found to be invalid by a court of competent jurisdiction shall be removed, but shall not so invalidate any other provision herein or in Orders.

**39. Counterparts**

These GPC and Orders may be executed in one or more counterparts, each of which when so executed and delivered shall be deemed an original, but all of which together shall constitute one and the same instrument.

**40. Ethics and Compliance**

40.1. During performance of an Order Supplier shall fully comply with ALSTOM's Code of Ethics and all laws and regulations in force regarding the fight against corruption, bribery, money laundering, and shall indemnify, defend and hold harmless ALSTOM against any losses, damages, fines or claims of any kind relating to noncompliance of Supplier to said laws and regulations.

40.2. Notwithstanding anything to the contrary, and without prejudice to the above paragraph, in cases where Supplier is fined, sentenced or prosecuted for Supplier's failure to fully comply with ALSTOM's Code of Ethics and/or laws and regulations in force in the fight against corruption, bribery and money laundering, it is expressly agreed between the Parties that ALSTOM shall be entitled to suspend and/or terminate such Order, in whole or in part, following reasonable notice.

**41. Equal Opportunity Clause**

Supplier, and Supplier's subcontractors, shall abide by the requirements of 41 CFR 60-1.4(a), 60-300.5(a) and 60-741.5(a). These regulations prohibit discrimination against qualified individuals based on their status as protected veterans or individuals with disabilities, and prohibit discrimination against all individuals based on their race, color, religion, sex, sexual

orientation, gender identity or national origin. Moreover, these regulations require that covered prime contractors and subcontractors take affirmative action to employ and advance in employment individuals without regard to race, color, religion, sex, sexual orientation, gender identity, national origin, disability or veteran status.