

1. PURPOSE

The purpose of these general purchase conditions of goods and/or services ("**General Purchase Conditions**" or "**GPCs**") is to form part of the agreement that will define the terms and conditions whereby any of the ALSTOM entities having a registered office in the United States of America ("**Purchaser**") entrusts the supplier ("**Supplier**") to supply equipment, goods, parts, spare parts, documentation, Software, and/or any deliverables (individually or collectively "**Goods**") and/or services (individually or collectively as "**Services**"). Purchaser and Supplier shall be referred to individually as "**Party**" and collectively as "**Parties**."

2. FORM AND CONTENT OF THE CONTRACT

2.1. The agreement that shall govern the supply of Goods and Services by Supplier to Purchaser for a dedicated project ("**Project**") for Purchaser's customer ("**Customer**") shall consist of the following documents in decreasing order of priority, as may be applicable:

- i. Purchase order ("**Order**");
- ii. Project specific purchase conditions and customer flow downs supplementing and/or amending these GPCs ("**Specific Purchase Conditions**"), but excluding any appendices thereto, unless expressly stated in the Order to prevail;
- iii. Present GPCs; and
- iv. Appendices to the Order and/or Specific Purchase Conditions, in numerical or alphabetical order, as applicable, (*Article 2.1* is collectively "**Contract**").

2.2. 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 or in the Specific Purchase Conditions. This Order and any documents that are expressly incorporated by reference or attached hereto are intended to be the entire, complete, exclusive, and final expression of the Parties' agreement with respect to the subject matter hereof and supersedes any prior or contemporaneous agreements, whether written or oral, between the Parties. The Parties represent that they are not relying upon any representations, understandings, or agreements, written or oral, which are not included herein in making their respective decisions to execute this Order. No course of prior dealings and no usage of the trade shall be relevant to determine the meaning of this Order, even though a Party has knowledge of the performance and opportunity for objection.

2.3 Any reference to Supplier's offer to sell, its quotation, or its proposal shall in no way constitute a modification of any of the terms of this Order, notwithstanding anything to the contrary elsewhere. Purchaser hereby notifies Supplier of its express objection to any terms set forth in Suppliers Order Acknowledgement that do not exactly match the terms of the Order. **ANY ATTEMPTED ACKNOWLEDGMENT OF RECEIPT OF THIS ORDER CONTAINING TERMS, CONDITIONS, EXCEPTIONS, OR CLARIFICATIONS INCONSISTENT WITH OR IN ADDITION TO THE TERMS OF THIS ORDER IS NOT BINDING TO THE PARTIES, UNLESS SPECIFICALLY ACCEPTED BY PURCHASER IN WRITING.**

2.4 A capitalized defined term may be used the singular or plural form and the use of the singular form of any term shall also include the plural form, as the context may require. Article and section headings are for the convenience of the Parties and do not affect the meaning or interpretation of the Contract. The term "including" shall mean and be construed as "including, but not limited to", unless expressly stated to the contrary.

2.5 The invalidity, in whole or in part, of any articles of this Contract, or any part thereof, shall not affect the remainder of such articles, which shall continue in full force and effect. Any such article deemed invalid, in whole or in part, shall be given the lawful interpretation that most closely reflects the original intent of the Parties. All provisions or obligations in this Contract, which by their nature or effect are required or intended to be observed, kept, or performed after termination or expiration of an Order will survive and remain binding upon and for the benefit of the Parties, their successors (including without limitation successors by merger) and permitted assigns.

2.6 Any Order, Contract, or document to be signed in connection with this these GPCs may be signed by electronic signatures, shall be agreed between the Parties as compliant with all laws, and shall have the same legal effect, validity, and enforceability as an originally and manually-executed (or "wet ink") signature, to the extent and as provided for in any applicable law, including, but not limited to, The Electronic Signatures in Global and National Commerce Act, 15 U.S.C. § 7001 et seq. ("ESIGN"), The Uniform Electronic Transactions Act, as prepared, approved, and recommended by the National Conference of Commissioners on Uniform State Laws ("UETA"), and any other similar state laws based on or implementing UETA or ESIGN. The Order, the Contract, and/or any document to signed in connection with this these GPCs can be signed in multiple copies, each of which is considered an original.

3. COMING INTO FORCE – TERM

3.1. The Contract shall come into force upon Supplier signing Purchaser's acknowledgment form of receipt of the Order. Supplier undertakes to return to Purchaser such acknowledgment of receipt of the Order within eight (8) calendar days of the receipt thereof; provided, however, that if Supplier does not return the acknowledgment of receipt of the Order within this time period, the Contract shall be deemed to have been accepted by Supplier.

3.2. Any start of performance of the Contract, including Supplier commencing the design, manufacture, delivery, invoice, or supply of Goods and/or Services, shall be construed as definitive acceptance of the terms and conditions of all the documents stated in *Article 2.1*.

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

3.4. The Contract shall expire when any and all obligations of each Party have been fully performed.

4. PERFORMANCE OF THE CONTRACT

4.1. Good Industry Practices

4.1.1. Supplier shall perform the Contract with the degree of skill, care, diligence, and prudence that would reasonably and ordinarily be expected from a skilled, experienced, and competent Supplier ("**Good Industry Practices**"), and in accordance with all the terms and conditions stated in the Contract, regulations, and standards in force where the Goods and Services are to be delivered. Supplier's Quality Manual, available at <https://alstom.hlpweb.net/supplier-quality-portal-for-supplier/>, defines Purchaser's quality expectations and Supplier's appropriate actions. Supplier shall ensure that its sub-suppliers and/or subcontractors' manufacturing processes shall comply with the Contract's requirements, applicable regulations, and Good Industry Practices.

4.1.2. Supplier shall be responsible for implementing all the necessary resources for the performance of its obligations under the Contract, with the exception of those specifically mentioned in the Contract as being under the responsibility of Purchaser. Supplier represents and warrants that it has or will secure all the materials and tools needed for its performance of the Contract and has or will allocate qualified staff in sufficient numbers to perform the Contract within the contractual deadline. Supplier shall ensure appropriate personnel training and qualification and submit any proof relating to such qualification upon Purchaser's request. Within seven (7) days at the latest of the Contract coming into force, Supplier shall appoint a staff member as a project manager and shall inform Purchaser accordingly. Such project manager 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 Supplier's staff who is responsible for the performance of the Services on Site. Such project manager shall be Supplier's contact person for Purchaser.

4.1.3. Supplier shall request from Purchaser in a timely manner any approvals and instructions needed for the correct performance of the Contract. Purchaser shall provide access to the delivery site for the Goods and/or performance of the Services ("**Site**"). Purchaser shall make available to Supplier the materials and perform the works under its responsibility, as identified in the Contract

4.2. Quality Assurance

4.2.1 Supplier shall perform its quality obligations as defined in the Contract and continuously in accordance with the principles set forth in Supplier Quality Manual. Supplier shall use Alstom Supplier Quality Portal at all times during the performance of the Contract and/or the Order.

4.2.2 Supplier shall be ISO/TS 22163 certified "Railway industry standard", as defined in Supplier Quality Manual or ISO 9001 or equivalent. Supplier's and its sub-suppliers' and/or subcontractors' qualification certificates must be made available to Purchaser within forty-eight (48) hours upon request. If Supplier is not ISO/TS 22163 certified "Railway industry standard", Purchaser retains the right to perform its own qualification regarding Supplier's, its sub-suppliers' and/or subcontractors' processes. Supplier shall implement all corrective actions required in order to reach satisfactory qualification within the time period agreed upon with Purchaser, and in any case no later than six (6) months after Purchaser's notice of non-compliance regarding qualification requirements.

4.2.2. Supplier shall implement an appropriate and recognized quality assurance program and quality control plan for the supply of the Goods and the performance of the Services. Supplier shall perform any and all processes, inspections, tests, and other quality and risk management measures to ensure that the Goods and/or Services conform to the requirements of the Contract and to Purchaser's satisfaction, providing appropriate Documentation to Purchaser to evidence such satisfactory compliance. Supplier shall keep such plan up-to-date throughout the entire production cycle of the Goods, their delivery, and the performance of the Services. Supplier shall perform all tests and inspections and provide to Purchaser all reports and certificates as required under the Contract and/or as Purchaser may reasonably require within forty-eight (48) hours upon request. To the extent the tests are related to the validation of the Goods,, Supplier shall provide Purchaser with timely notification of any such testing and Purchaser and/or any third party authorized by Purchaser shall be entitled to attend these tests. The Goods shall not be delivered to Purchaser without an inspection and release by Purchaser, unless Purchaser waives such inspection and release. Supplier shall flow down to its sub-suppliers and/or subcontractors involved in the Contract performance all applicable quality requirements and principles set forth in this *Article 4.2 Quality Assurance*; and, Supplier shall be responsible for its or their compliance thereof.

4.2.3. All tests shall be performed in accordance with the processes defined in the technical specifications set forth in the Contract. Supplier shall provide Purchaser with all relevant test results and reports. If the test results do not comply with the technical specifications and/or performance requirements, such as, but not limited to, Supplier Product Quality Development ("**SPQD**") and industry standards, Supplier shall immediately carry out the necessary measures and repeating such tests at its own cost and expense so that the Goods and/or Services comply with technical specifications' and/or performance requirements, all within the deadlines stipulated in the Contract. In such event, Supplier shall be responsible for Purchaser's and Customer's travel costs to address or witness the measures required to bring such Goods and/or Services into compliance.

4.2.4. Purchaser may at any time visit the premises where the Goods are located and/or the Services are being performed during normal working hours in order to ensure the correct performance by Supplier of its contractual obligations. Supplier shall obtain from its suppliers and/or subcontractors Purchaser's visitation rights onto its or their premises. During such visits, in the event Purchaser notes any defects related to the Goods and/or Services or performance, Supplier shall promptly remedy or shall ensure that its suppliers and/or subcontractors promptly remedy such defects.

4.3. Goods and Services

4.3.1. Supplier shall ensure that the computer programs and all improvements, software updates, and enhancements/upgrades thereto and associated Documentation including technical specifications and process flow diagrams (the aforementioned list individually and collectively

“Software”), the Goods, and/or the Services are fit for the purposes that may reasonably be inferred from the technical specifications and are provided, performed, or delivered in accordance with the timetable defined in the Contract. Supplier shall achieve the performance and results stipulated in the Contract. The performance deadlines may only be extended or reduced through an amendment to the Contract, in accordance with the provisions of *Article 5.2*.

4.3.2. The Goods and/or Services shall be delivered in a state of full completion with complete operation and maintenance manuals, drawings, calculations, technical data, logic diagrams, progress reports, quality documentation, conformity certificates, test reports, bill of lading, certificates of origin, export control classification list number as per any applicable export regulation, (such as the European Council Regulation 428/2009 (as amended) and/or the U.S. Export Administration Regulations (“**EAR**”), percentage of U.S. origin content, U.S. Export Control Classification Number (“**ECCN**”) or U.S. Munitions List category (“**USML**”), export authorizations and licenses, Harmonized Tariff Code, as applicable) instructions, recommendations, and other indications necessary in order for the Goods and/or Services to be used correctly and under the appropriate safety conditions, any plan of design, manufacture, and delivery as Purchaser may reasonably require, and any such other documents required under the Contract and/or applicable laws (individually and collectively “**Documentation**”). Except as the Parties may otherwise agree, this Order, purchase agreements, data, notices, shipping invoices, correspondence, and all other writings shall be in the English language.

4.3.2.1 Prohibited Goods And Services: The United States of America prohibits the importation of goods or the purchase of services from certain countries and regions (See URL <http://www.treas.gov/ofac/>, updated from time to time). Supplier shall not use any goods or services from prohibited countries or regions, directly or indirectly, in the design, manufacture, test, or other methods of providing any of the Goods or Services hereunder. It is Purchaser responsibility to ensure compliance with such list at all times hereunder.

4.3.2.2 If so required by Purchaser, Supplier shall submit any such Documentation to Purchaser with sufficient time for review and approval by the Customer and in accordance with the agreed upon timelines between Purchaser and Customer as may be set forth in the Specific Purchase Conditions. Notwithstanding any limitations on liability or damages elsewhere in the Contract, in the event that Supplier’s Documentation is not compliant with the contractual requirements, (i) Supplier shall make the necessary modifications to bring it into compliance; (ii) Supplier shall indemnify Purchaser for any costs, liabilities, or damages incurred by Purchaser due to delays or non-compliance in Documentation Supplier is responsible for delivering hereunder; and (iii) Supplier shall not be entitled to an adjustment in the delivery schedule.

4.3.3. Goods and/or Services that do not meet all the requirements set in this *Article 4.3 Goods and Services* shall be considered as having a Non-Conformity as per *Article 10 NON-COMPLIANCE AND REJECTION OF DELIVERY* of these GPCs and may be recorded as a non-conformity event (“**NCE**”) as defined in Supplier Quality Manual. Supplier shall pay a lump sum administrative and processing fee of four hundred fifty US Dollars (\$450 USD) for each NCE. Such fee (i) shall not be construed as a penalty, liquidated damage, consequential damages, or the like; and (ii) shall be cumulative and is without prejudice to any other remedies available to Purchaser under the Contract or at law for an NCE or any other default.

4.3.4. The Goods are intended to be integrated in complex structures, such as signalling systems, infrastructure, or vehicles like trains, tramways, or buses used, manufactured, made available, or built for projects (“**Equipment**”). Supplier shall ensure necessary interfaces and interoperability with said Equipment.

4.3.5. If Supplier is not certain that the Services or Goods comply with the requirements set forth in this *Article 4.3 Goods and Services*, Supplier shall immediately inform Purchaser thereof in writing, providing all the necessary information to define said risks of non-compliance and the measures that Supplier intends to take in order to remedy the situation. Purchaser shall notify Supplier of its acceptance or rejection as soon as possible thereafter in writing.

4.3.6. If Purchaser determines that Supplier is not performing the Services and/or supplying the Goods in accordance with the Contract, it may require Supplier to provide a written report on the measures that Supplier intends to take to remedy the situation. Purchaser shall notify Supplier of its acceptance or rejection of Supplier’s proposals as soon as possible thereafter in writing.

4.4. Records and Audits

4.4.1. Supplier shall define and implement a method so that it may effectively identify the Goods, the Services, status, and the processes used throughout the production phase of the Goods and the performance of the Services. Supplier shall keep reliable records ensuring traceability from the start of the manufacturing process until the end of the warranty period as specified under *Article 16.2 Warranty Period and Related Obligations*.

4.4.2. Supplier shall keep all data related to the Goods and Services and all Documentation for at least twenty (20) years after delivery of the Goods or any such longer time required by applicable law. Supplier warrants that all records to trace and evidence compliance with the Contract requirements, including EHS requirements, shall at all times be legible and promptly available to Purchaser and/or the Customer.

4.4.3 By accepting the Contract, 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 undertaken pursuant hereto, especially concerning the safety standards in force at the Site and any possible dangers related to installations and/or machinery nearby, whether these have been received from 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. No document or information obtained by Supplier from Purchaser in connection with the Contract shall in any way release Supplier from its obligation (i) to review any such document and information; (ii) to independently verify the same; (iii) to promptly notify Purchaser of any conflicts with existing data or instructions provided by Purchaser; (iv) to obtain any additional information and data from Purchaser or from other sources, where appropriate, to ensure prompt and proper execution of the Goods and/or Services. Any participation by Purchaser in (i) planning or designing the Goods; (ii) processing any document, information, data, material, and/or software; and/or (iii) reviewing or

approving/rejecting any process, will not release Supplier from its obligation to perform and supply the Goods and/or Services in accordance with the terms of the Contract.

4.4.4. Unless different procedures are specified in the Contract, Supplier shall send Purchaser a weekly activity report showing the Goods and/or Services performed, any difficulties encountered, a progress report, and any non-compliance datasheets. Any specific format requirements of said reporting shall be agreed upon between the Parties but shall not delay Supplier's responsibility to provide such report in a timely manner.

4.5. Supplier Quality Portal

Supplier and Purchaser shall receive, respond to, and make available to each other the required quality data, such as, but not limited to, audits, projects, serial life performance, Concessions/Waivers, and communications between the Parties with respect to quality through "**Supplier Quality Portal**". Purchaser has developed this tool to increase transparency and collaboration with its suppliers. Supplier shall receive Purchaser correspondence, respond to Purchaser correspondence, and make available to Purchaser required documentation related to quality directly through the Supplier Quality Portal.

4.6. Localization and Change of Manufacturing Process

4.6.1. Supplier shall not change the place of manufacturing and/or assembly of the Goods or performance of all or part of the Services without prior written authorization from Purchaser and further re-qualification of the Goods. If a modification is initiated by Supplier, Supplier shall notify Purchaser in writing six (6) months prior to the intended modification and, to the extent such modification impacts Purchaser's requirements under Purchaser's agreement with the Customer, Purchaser shall be entitled to terminate the Contract pursuant to *Article 22.2 Termination for Cause*. Supplier shall keep clear traceability of the manufacturing process related to the Goods before and, if authorized, after such modification.

4.6.2. In any event, Supplier shall ensure that the Quality Cost Delivery Technology (QCDT) requirements shall not be modified without Purchaser's prior written consent.

4.6.3. In the event of a modification initiated by Supplier as set forth under *Article 4.6. Localization and Change of Manufacturing Process*, Supplier shall be responsible for all associated costs incurred by the Parties including all costs associated with necessary validation, qualification, and type tests processes and these shall not be as consequential damages. Notwithstanding anything to the contrary hereunder, Supplier's payment of all associated costs incurred by the Parties is not Purchaser's sole or exclusive remedy and is cumulative; is without prejudice to any other remedies available to Purchaser under contract or at law and such payment shall not form part of Supplier's limitation on liability. In the event of a modification of localization or manufacturing process initiated by Purchaser, the price of the Goods and/or Services may be adjusted to address the change in the localization and/or manufacturing process in accordance with the rates and prices specified in the Contract. Should these rates and prices not be applicable, such other rates and prices shall apply as may be fair and reasonable.

5. CHANGES IN CONTRACT

5.1 Purchaser shall have the right at any time to make changes in the design and/or the specifications of any or all of the Products or parts thereof, delivery terms, scope, or other provisions of the Contract, by means of a written notice to Supplier. If in Supplier's reasonable opinion such changes affect the cost or time required for performance of the Goods and Services or any other provision(s) of the Contract, Supplier shall notify Purchaser promptly in writing, but in no event later than ten (10) days after the receipt of Purchaser's notice. In such notice, Supplier shall substantiate the impact of the change in sufficient detail. If and to the extent that the changes requested by Purchaser reasonably warrant an adjustment of the price, delivery schedule, and/or other provision of the Contract, then Purchaser shall make an equitable adjustment ("**Change Order**") to the Contract. Purchaser has the right to instruct Supplier to commence the changes prior to having finalized the Change Order. Supplier's failure to commence performance of any Change Order when so directed by Purchaser in writing, whether or not all terms of the Change Order have been agreed upon, shall be deemed a material breach of this Contract. In the absence of a notification by Supplier in accordance with this *Article 5.1*, Supplier shall be deemed to have waived its rights for an adjustment and shall carry out the change; and, Purchaser shall be entitled to assume that such change will not have any impact on any material term of the Contract, including time schedule, warranties, and price.

5.2 Supplier shall not make any changes to the Goods and Services or any provision of the Contract without Purchaser's prior written consent. Once Supplier's design of the Goods is frozen and final, Supplier shall not be entitled to make any change to such design thereafter without having obtained prior written agreement by Purchaser. Supplier shall indemnify and hold harmless Purchaser and Purchaser's Customer from and against any and all claims, liabilities and expenses arising out of or in relation to any change made to the design of such Goods after the design thereof is frozen. Notwithstanding anything to the contrary hereunder, such indemnification shall not be deemed consequential damages or the like and shall be outside of and separate from any limitation on Supplier's liability.

6. PURCHASER'S PROPERTY

6.1. Materials such as components, machinery, tools, models, moulds, jigs, fixtures, accessories or others which may be made available to Supplier by Purchaser for the purposes of the Contract shall be Supplier's responsibility and under its care and custody. Supplier shall carry insurance against any damage that such items might suffer and shall clearly mark them and record them as being the property of Purchaser.

6.2. Supplier agrees to refrain from using such materials other than for the purpose of the Contract and shall keep them in good working order, except for normal wear and tear.

6.3. Any damage or deterioration that such materials may suffer due to Supplier's improper use or negligence shall be repaired at Supplier's cost. Supplier shall return such materials without delay upon Purchaser's first request to do so., without prejudice to any other remedies Purchaser may have at contract or at law.

6.4. Legal ownership in any such Purchaser items and/or the right to dispose of them shall under no circumstances pass to Supplier. If requested by Purchaser, Supplier shall execute any financing statements, security agreements, or other instruments at no cost to Purchaser as may be necessary to make Purchaser's title in such items a matter of public record. Upon Purchaser's request, and without prejudice to Purchaser's other rights under contract or at law, Supplier shall allow Purchaser and/or any third party mandated by Purchaser to enter any premises of Supplier without delay to repossess any such Purchaser items or any part thereof, including severing any such Purchaser items or parts thereof from other property.

6.5. Ownership of tools manufactured or acquired by Supplier for the particular purposes of the Contract such as models, moulds, jigs, fixtures, or accessories shall be transferred to Purchaser at the time of their manufacture or acquisition by Supplier. Supplier shall return the tools to Purchaser by the end of the performance of the Contract at the latest.

7. DELIVERY, TRANSPORTATION, AND PACKAGING

7.1. Should there be no special stipulation relating thereto in the Contract, Supplier shall, in all circumstances, use packaging suitable to the nature of the Goods and that guarantees the safety and integrity thereof until they are delivered.

7.2. Where there is no special stipulation in the Contract, deliveries on the premises mentioned in the Contract shall be made (i) when the Parties are located in the same continent or geographical area, then DAP Incoterms® 2020 Purchaser's destination as set forth in the Order or (ii) when the Parties are located in different continents or geographical areas, FCA Incoterms® 2020 Port set forth in the Order. Supplier shall pack, mark, load, lash, and secure the Goods in accordance with Purchaser's shipping, packing, and marking instructions set forth in the Contract and all costs and expenses for packing, transportation, and delivery are Supplier's sole responsibility (notwithstanding the provisions of applicable Incoterms® 2020). Should Supplier deliver the Goods in advance of the schedule without Purchaser's prior written consent, Supplier shall reimburse the storage cost incurred by Purchaser pending full delivery or delivery at the agreed upon delivery date, as well as any damages or additional costs incurred by Purchaser. Delivery of the Goods shall not be deemed to have occurred until the Goods are fully compliant with all the terms and conditions of the Contract, unless Purchaser expressly agrees otherwise in writing.

7.3. Any delivery of Goods shall be accompanied by Supplier's delivery note that shall be dated, shall reference the Order, and include details of the Goods delivered, the contents of the parcels therein, their gross and net weight, the method of transportation, the date of dispatch, as well as the rail wagon number or vehicle registration number, if relevant. Supplier shall send simultaneously, by separate letter, a copy of the document to Purchaser's department that issued the Order.

7.4. Supplier shall deliver as part of the Goods the Documentation specified under *Article 4.3.2* of these GPCs. Delivery of the Goods and Services shall not be deemed complete until delivery of all required Documentation has occurred in accordance with the Contract.

7.5. Upon receipt of the Goods and/or completion of the Services, Purchaser may, at its sole discretion, inspect the same or any part thereof at that time or at any time thereafter. If the Contract includes testing the Goods after its receipt by Purchaser, then the Goods shall not be deemed complete until such tests have been passed to the satisfaction of Purchaser. Any approval of a test by Purchaser or any Purchaser inspection shall in no event relieve Supplier from any liability nor imply Purchaser's acceptance of the Goods and/or Services.

7.6. The acceptance shall only be considered as definitive when such tests have demonstrated the compliance of the Goods and/or the result of the Services with the requirements defined in *Article 4.3 Goods and Services*. The tests report shall include the configuration of the elements subject to the relevant test. Where the Contract 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 Goods and/or result of the Services with the terms of the Contract and with the requirements of *Article 4.1 Good Industry Practices*. Such acceptance certificate shall be produced in two (2) originals. Signature of the acceptance certificate without any reservations by the Parties shall authorize Supplier to invoice Purchaser under the applicable terms of payment as of the acceptance date. Purchaser may, at its sole option, accept all or part of the Goods and/or the result of the Services subject to reservations for all or part of the Goods and/or the result of the Services, when such reservation for non-compliance is of an insignificant nature or when the noncompliance does not impact the safety of the Goods, the use of the Goods, and/or their environment. Supplier shall remedy any non-compliances revealed in the certificate within the deadline that is stipulated therein. In the event that Purchaser acceptance is subject to reservations, then all or part of the payment due upon the acceptance date may be withheld by Purchaser until it has been established by both Parties that the Goods and/or Services in question are fully compliant without any Purchaser reservations.

7.7. Waiver Should Supplier identify or have good reasons to suspect a Non-Conformity in the Goods and/or Services that Supplier considers as minor prior to the delivery of the Goods or performance of Services, Supplier shall promptly inform Purchaser thereof in writing and may seek a waiver from Purchaser to deliver the Goods or Services nonetheless ("**Waiver**"). Any given Waiver may only cover a single type of Non-Conformity. In Supplier's Waiver request, Supplier shall describe as precisely as feasible the Non-Conformity, its consequences, the corrective or curative measures required to bring it into compliance, and the plan for Supplier to implement such corrective or curative measures. Delivery by Supplier of Goods and/or Services shall be conditional upon Purchaser first granting the Waiver at Purchaser's discretion. The grant of a Waiver for such Goods shall be without prejudice to Purchaser's right to have such Goods repaired and/or replaced. Should Purchaser grant the Waiver, it may invoice a lump sum amount of one thousand two hundred US Dollars (\$1,200 USD) per Waiver as an administrative fee. Notwithstanding anything to the contrary hereunder, this administrative fee (i) shall not be considered as a penalty, liquidated damages, consequential damage, or the like; (ii) is not the sole

remedy regarding Goods for which a Waiver has been granted; and (iii) is without prejudice to any other remedies available to Purchaser under contract or at law.

8. DELAY

8.1. Time is of the essence in the performance of Supplier's obligations under an Order. Supplier must deliver the Goods and/or Services within the time frame specified in the Contract. The dates or deadlines for delivery of the Goods and performance of the Services set forth in the Contract are mandatory and shall constitute a material condition for Purchaser entering into this Contract.

8.2. If the delivery of the Goods and/or performance of the Services is likely to be delayed, Supplier shall notify Purchaser immediately in writing. Such notice shall include Supplier's proposal for acceleration of the progress to comply with the delivery dates at risk. Supplier's measures for expediting progress regarding such delay shall include the use of additional workforce and material, multiple shifts, weekend work, and premium means of transport, such as, but not limited to airfreight. Supplier shall be responsible for the costs of the acceleration measures. Supplier shall be liable for any damages incurred by Purchaser arising out of or in connection with such delay, unless said delay is exclusively attributable to Purchaser. Notwithstanding anything to the contrary hereunder, (i) such damages shall be cumulative and without prejudice to any other remedies available to Purchaser under contract or at law and payment of such damages shall be outside of and separate from any limitation on Supplier's liability.

9. LIQUIDATED DAMAGES

9.1. Delay. If Supplier fails to comply with the dates or deadlines for the delivery of the Goods and/or performance of the Services set forth in the Contract, Purchaser may apply liquidated damages without any prior notification to Supplier as of the moment any date or deadline has been breached, except for when the delay is for reasons exclusively attributable to Purchaser. Unless stipulated otherwise in the Contract, such liquidated damages for delay shall be calculated at the rate of five per cent (5%) of the price of the delayed Goods or Services per partial or full week's delay. The aggregate limitation of liability for liquidated damages for delay shall be thirty per cent (30%) of the total price of the Contract. Each started week gives rise to the application of liquidated damages for that week.

9.2 Performance Failures. Other liquidated damages for performance failures, such as noncompliance with noise, weight, and reliability parameters or rendering the Goods or Equipment onto which the Goods are installed unavailable for revenue service, may be required depending on the nature of the Goods and/or Services and Purchaser's Customer requirements. Such liquidated damages for performance failure shall be set forth in the Contract, if applicable.

9.3 The Parties agree that the extent of damages resulting from Supplier's failure to conform to the Contract requirements subject to liquidated damages would be difficult to ascertain. Any liquidated damages set forth in the Contract shall not be considered a penalty, consequential damages, or the like, and represent the Parties' reasonable estimate of Purchaser's damages as a result of Supplier's failure to conform to the Contract requirements subject to the liquidated damages. Supplier's payment of liquidated damages is not Purchaser's sole or exclusive remedy regarding Non-Conformity, is cumulative and is without prejudice to any other remedies available to Purchaser under contract, equity or at law.

9.4. Purchaser may apply liquidated damages at Purchaser's option as soon as they are applicable or at any time during the Contract. Liquidated damages payable may be withheld and offset by Purchaser against monies due or to become due to Supplier; and, if no monies are due or if the remaining monies to become due are less than the outstanding amount of any liquidated damages, Purchaser shall invoice Supplier for the remaining amount that becomes due and payable as of the date of such invoice. Supplier shall pay such invoice upon demand. The amount of liquidated damages payable by Supplier to Purchaser shall be exclusive of all taxes.

10. NONCOMPLIANCE AND REJECTION OF DELIVERY

10.1. When the Goods and/or the results of the Services arrive or are performed at Purchaser's premises or at any other place agreed upon between the Parties, if the Goods and/or the result of the Services are considered non-compliant with the Contract requirements, Purchaser may reject all or part of them. The delivery shall then be considered as not having been made.

10.2. In such case, Purchaser reserves the right (i) to require Supplier to replace or repair the rejected Goods and/or the result of the Services within the deadline provided by Purchaser; (ii) to perform itself or have performed the said replacement or repair by a third party of its choice, in accordance with the provisions of *Article 10.3*; or (iii) to retain the Goods and/or the result of the Services subject to a rebate; or (iv) to terminate the Contract in whole or in part in application of *Article 22 SUSPENSION AND TERMINATION*. In all cases, Supplier is responsible for all costs and risks related thereto.

10.3. In the case defined in *Article 10.2 (ii)*, Purchaser shall provide prior written notice to Supplier to repair or replace the rejected Goods and/or the result of the Services by registered US mail or by a courier service with tracking evidence. If Supplier has not completed the required repairs or replacements with fifteen (15) days from the date of receipt of such notice, Supplier shall provide any information and/or assistance necessary to enable Purchaser or the third party to properly remedy the non-compliance, including, but not limited to providing them with the tools, drawings, studies, and any other documents and associated intellectual property rights necessary for the production of the Goods and/or execution of the Services.

11. VALIDATION, INSPECTION, AND HOMOLOGATION TESTS

11.1 First Article Inspection and Type Tests

The pre-series Goods manufactured and/or assembled in normal production conditions, such as production subject to a stabilized and formalized process, are subject to a First Article Inspection (FAI) at Supplier's manufacturing or assembly facilities. Purchaser and Customer, if required, may attend such FAI. FAI and type tests processes are defined in Supplier Quality Manual and the SPQD Plan of the Contract. Purchaser's authorization to Supplier to deliver series Goods shall be expressly conditioned upon the First Article Inspection validation. The FAI and validation thereof shall not relieve Supplier from its obligations under the Contract, in particular, with respect to its obligation to deliver Goods in compliance with Contract requirements. In the event that Purchaser and/or Customer are required to attend additional FAI, type test, or visits to Supplier's premises after the initially schedule FAI trip for any reason attributable to Supplier, Supplier shall be responsible for reimbursing all costs and expenses of Purchaser and/or Customer for such additional trips.

11.2 First Mounting Inspection

The delivered pre-series Goods shall be subject to First Mounting Inspection ("FMI") with the goal of defining as soon as possible the procedures to detect and solve any interface issues. Purchaser shall conduct such FMI tests on all types of Goods at Purchaser's or Customer's premises and Supplier shall attend such FMI tests if required by Purchaser at no cost to Purchaser. The FMI tests shall be conducted in accordance with the processes defined in the SPQD Plan and the technical specifications of the Contract. The FMI will include, but not be limited to, static, dynamic, and integration tests.

11.3 Other Tests Related to the Validation of the Goods by Purchaser

Supplier shall conduct tests regarding the design, performance, accessibility, and maintainability of the Goods mounted onto the Equipment at the earliest on the date of the FMI and at the latest three (3) months from the FMI and/or at any point in time thereafter upon Purchaser request. The goal of these FMI tests is to demonstrate the Goods' compliance with design, performance, accessibility, and maintainability requirements set forth in the Contract.

11.4 Homologation and Specific Tests

11.4.1 Customer may require homologation and other specific tests on the Goods in the context of Customer's operating conditions. These tests will be conducted in accordance with the technical specifications set forth in the Contract.

11.4.2 If Purchaser informs Supplier that Customer has set its own homologation and/or specific test procedures, Supplier shall implement these procedures for such Goods and/or shall assist Purchaser in its implementation thereof.

d procedures with respect to the Equipment. Supplier shall provide Purchaser with all Documentation related to the Goods and/or Services required for the homologation of the Equipment.

11.5 Technical Assistance During the Tests

Purchaser may request Supplier to attend or take part in the First Mounting Inspection and/or test and commissioning of the Equipment at no additional cost to Purchaser, such cost being included in the prices agreed upon in the Contract. In such case, Supplier shall provide (i) phone assistance from Monday to Friday, seven consecutive (7) business hours per day, during the period starting from the delivery date of the pre-series Goods ending on the commissioning date of the last delivered series equipment; (ii) technical assistance within twenty-four (24) hours from Purchaser's notice at sites defined by Purchaser; and, if Purchaser requests, (iii) technical assistance during nights and holidays in order to implement modification or adaptation on the Equipment and parts at Customer's sites.

12. TRANSFER OF TITLE AND TRANSFER OF RISKS

12.1. Transfer of Title

Title to the Goods and/or results of the Services shall pass to Purchaser free and clear of any liens, claims, encumbrances, interests, or other rights when produced, packaged, and labelled and at the latest upon their actual delivery as specified in the Contract. If requested by Purchaser to do so, Supplier shall promptly execute any document certifying such transfer of title. In case of any defect in title, encumbrance, or lien upon the Goods or any part thereof, Supplier shall promptly indemnify and defend Purchaser against any and all claims in relation thereto and cause the discharge of any such encumbrance or lien without delay.

12.2. Transfer of Risk

The risk of loss or damage to the Goods and/or results of Services shall pass from Supplier to Purchaser (i) upon the date of their acceptance if this is performed on Purchaser's premises in accordance with the provisions of *Article 11 VALIDATION, INSPECTION, AND HOMOLOGATION TESTS*; or (ii) if not performed on Purchaser's premises, upon delivery of the Goods at the named destination pursuant to the Incoterms® 2020 as defined in *Article 7 DELIVERY, TRANSPORTATION, AND PACKAGING*.

13. PRICE AND PAYMENT

13.1. The prices indicated in the Order shall be firm, definitive, inclusive of all taxes, except Value Added Tax in jurisdictions where required under the law, and not subject to adjustment for the duration of the Contract.

13.2. Unless otherwise stipulated in the Contract, the payment of the amounts due to Supplier shall be made in US Dollars, as the currency of both the account and of payment.

13.3. Unless it has been stipulated otherwise in the Contract, the price shall mean Incoterms® DAP or FCA pursuant to the provisions of *Article 7.2*.

13.4. Supplier shall issue invoices with a complete reference to the Contract and in accordance with the due dates stipulated in the Contract, subject to the complete performance by Supplier of its obligations thereunder.

13.5. Unless stipulated otherwise at contract or required by law, Supplier's invoices shall be paid by Purchaser within one hundred twenty (120) days from the date of receipt of Supplier's complete invoice, including all required supporting documentation.

13.6. Purchaser shall have the right to withhold and/or set-off payments due or to become due Supplier in an amount which it reasonably deems sufficient to compensate it for and indemnify it against any and all losses, liabilities, damages, costs, expenses, including legal fees and disbursements that may be sustained or incurred by Purchaser based on Supplier's breach of the Contract. If the amount Purchaser withholds, together with the balance due under the Contract, is insufficient to indemnify Purchaser, Supplier shall be liable for the difference and Supplier shall pay the same to Purchaser upon demand.

13.7 In the event that Purchaser's payment of Supplier's complete and accurate invoice becomes past due, Supplier may apply the New York State legal rate of interest in force as of the date of Supplier's invoice.

14. CONFIDENTIALITY, CYBERSECURITY, AND ACCESS TO PURCHASER'S IT SYSTEM

14.1 Confidentiality

14.1.1 "Confidential Information" shall mean any information, including data, business information, technical information, specifications, drawings, sketches, models, records, samples, tools, software, documentation, whether written, oral or otherwise, and designated as being of a confidential nature by the disclosing Party in the form of an appropriate stamp, legend, or marking, or by providing a written notification to that effect. Confidential Information shall remain the disclosing Party's property.

Upon request of the disclosing Party, all copies of such Confidential Information in written, graphic, or other tangible form shall be returned to the disclosing Party or shall be otherwise disposed of as directed by the disclosing Party. Notwithstanding the foregoing, each Party may retain one copy of the Confidential Information where required by law or regulation or to comply with bona fide document retention, electronic archiving, and back-up policies of such Party.

14.1.2 Each Party shall not at any time divulge, disclose, or otherwise furnish to any third party to this Contract any Confidential Information, except upon prior written authorization of the disclosing Party. The receiving Party shall use the same degree of care to maintain the confidentiality of the Confidential Information of the disclosing Party as it uses to protect the confidentiality of its own Confidential Information, but no less than a reasonable degree of care. The receiving Party shall use such Confidential Information solely for its performance of the Contract.

14.1.3 Each Party may disclose the Confidential Information to its employees or subcontractors as necessary for them to perform their duties under the Contract. Each Party shall impose the obligation of confidentiality set forth in *Article 14.1* on such employees and subcontractors.

14.1.4 The obligations of confidentiality set forth in this *Article 14.1* shall not apply, however, to any part of the Confidential Information that (i) was already obtained in good faith by the receiving Party prior to receipt thereof; (ii) was already in the public domain or became so through no fault of the receiving Party; (iii) was acquired by the receiving Party from a third party having the right to convey the Confidential Information to the receiving Party without any obligation of confidentiality or the receiving Party did not know such Confidential Information was bound by a confidentiality obligation; (iv) is independently developed by the receiving Party without reference to the Confidential Information; (v) is approved for release by prior written authorization by the owner of the Confidential Information; (vi) is required to be produced pursuant to applicable law or regulation, any order of a court of competent jurisdiction, or an institution of competent arbitration, provided that the receiving Party provides notice to the disclosing Party upon receipt of such order without delay, unless prohibited by such order, laws or regulations.

14.1.5 Subject to the provision of the above paragraph, these obligations of confidentiality shall survive for a period of five (5) years from the expiration or termination of the Contract.

14.2. Cybersecurity

14.2.1 Supplier represents and warrants that (i) it is aware of laws, regulations, and industry standards applicable to the security of network, computers, and information systems, including computer hacking, unlawful presence in a system, the deliberate disruption of the system's operation, and fraudulent use of data; (ii) it complies with and will continue to comply with such laws, regulations, and industry standards for the duration of the Contract; (iii) it is properly audited and certified regarding all relevant laws and regulations applicable to the security of network, computers, and information systems, using current standards such as, but not limited to, ISO/IEC 27032:2012, ISO/IEC TR 27103:2018, ISO/IEC 27000, ISO/IEC 27001, ISO/IEC 27002, ISO/IEC 27005, and/or IEC 62/444.

14.2.2 With respect to all Purchaser's information, materials, and data of which Supplier has custody or control by virtue of this Contract or when Purchaser's information, materials, and data are accessed, transmitted, or stored using Supplier's network, computers, and information systems ("**Purchaser Data**"), Supplier shall: (i) do all things that a reasonable and prudent entity would do to ensure that all Purchaser Data is protected at all times from unauthorised access or use by a third party or misuse, damage, or destruction by any person; (ii) provide protective measures for Purchaser Data that are no less rigorous than accepted industry standards and that are commensurate with the consequences and probability of unauthorised access to, or use, misuse, or loss of Purchaser Data; and (iii) comply with all security regulations or procedures or directions as specified in the Contract.

14.2.3 With respect to all Goods to be delivered and Services to be performed under the Contract, Supplier shall implement a vulnerability management process to address security of its network, computers, and information systems, whereby Supplier has a duty to inform Purchaser of all

vulnerabilities in its network, computer, and information systems discovered by Supplier or by any third party related to the Goods and/or the Services during the warranty period as defined under *Article 16.2 Warranty Period and Related Obligations*.

14.2.4 If Supplier becomes aware of any actual or suspected action on Supplier's network, computers, and information systems that result in an actual or potentially adverse effect on Supplier's network, computers, and information systems and/or Purchaser Data residing on the aforementioned ("**Cyber Incident**"); or any other unauthorized access or use by a third party or misuse, damage, or destruction by any person to Supplier's network, computers, and information systems and/or Purchaser Data residing on the aforementioned ("**Other Incident**"), then Supplier shall (i) notify Purchaser in writing immediately (and no later than 12 hours after becoming aware of the Cyber Incident or Other Incident); and (ii) comply with any directions issued by Purchaser in connection with the Cyber Incident or Other Incident, including, but not limited to:

- a) notifying the relevant body, as required by Purchaser;
- b) obtaining evidence and providing it to Purchaser, if requested to do so detailing how, when, and by whom Supplier's network, computers, and information systems and/or Purchaser Data has or may have been compromised, preserving and protecting that evidence for a period of up to twelve (12) months;
- c) implementing any mitigation strategies to reduce the impact of the Cyber Incident or Other Incident or the likelihood or impact of any future similar incident; and
- d) preserving, recovering, and protecting Purchaser Data, including, as necessary, reverting to any backup or alternative site or taking other action to recover Purchaser Data.

14.2.5 Supplier shall ensure that all subcontracts and other supply chain arrangements that may allow or cause access to Purchaser Data contain no provisions that are inconsistent with this *Article 14.2 Cybersecurity*. Supplier shall ensure that Supplier's employees, affiliates, contractors, subcontractors, suppliers, subsuppliers, vendors, internet service provider, and cloud service providers who have access to Purchaser Data or are related to the scope of this *Article 14.2 Cybersecurity* comply with the provisions of this *Article 14.2 Cybersecurity*.

14.2.6 Upon prior written request by Purchaser, Supplier shall make available to Purchaser all information and all assistance necessary to demonstrate compliance with the obligations set forth in this *Article 14.2 Cybersecurity*. Upon prior written request by Purchaser, Supplier shall allow for and contribute to audits, including on-site inspections of Supplier premises and/or the premises of all Supplier's subcontractors or suppliers of any tier that may be conducted by Purchaser or a third party appointed by Purchaser. On-site inspections shall be limited to one (1) per calendar year. Purchaser shall give notice to Supplier at least thirty (30) days prior to any on-site inspection. In the event that an audit is initiated by relevant authorities or in the event that a Cyber Incident or Other Incident has occurred, Purchaser shall not be required to provide Supplier with prior written notice.

14.3 Access to Purchaser's IT system

Purchaser authorizes Supplier to access Purchaser's IT system only to the extent necessary to perform the Contract. Supplier's access to Purchaser's information system is expressly conditioned upon Supplier's compliance with all the security conditions specific to the performance of the Contract, those security conditions that have been communicated in writing to Supplier prior to use of Purchaser's system, and conditions of access to the Site and to Purchaser's IT system. Supplier shall not use software or means of access other than the ones provided by and duly authorized by Purchaser. Supplier shall take all the necessary precautions so as to avoid the introduction of any malware or unsecure code into the software, updates, and systems supplied to Purchaser and shall adopt the appropriate measures if the existence of such a threat is demonstrated. Supplier shall ensure that all those for whom it is responsible are aware of such conditions and comply with such conditions set forth in this *Article 14.2 Cybersecurity*.

15. INTELLECTUAL PROPERTY

15.1. Background

15.1.1 "Background" shall mean any information, documentation, designs, technical drawings, software (system and application software), algorithms, elaborated design data, technical or industrial data, tools, knowledge, know-how, trade secrets, equipment and services process, methodology, and any intellectual property therein, regardless of their support and whether or not protected by an intellectual property right, that was developed, created or acquired by one Party independently of the execution of the Contract. The Background shall remain at all times the property of the said Party and its affiliate(s).

15.1.2 Purchaser hereby grants to Supplier a non-exclusive and non-assignable license to use any Background, including drawings, specifications, and other data provided or paid for by Purchaser hereunder for the sole purpose of performing the Contract. Such license is revocable at any time by Purchaser by providing Supplier with prior written notice.

15.1.3 Supplier grants to Purchaser (i) a fully paid-up, non-transferable, non-exclusive, and worldwide license to use Supplier's Background as necessary in order for Purchaser to implement this Contract, including testing of Goods and/or Services; and (ii) a fully paid up, non-exclusive, worldwide, transferable license to use the Background to use, manufacture, have manufactured, commercialize, sell, maintain or have maintained the Goods and/or Services provided hereunder.

15.2. Results

15.2.1 "Results" shall mean any information, documentation, designs, technical drawings, system software, application software, algorithms, elaborated design data, technical or industrial data, tools, knowledge, know-how, trade secrets, equipment processes, services process, methodology, and any intellectual property therein, regardless of their support and whether or not protected by an intellectual property right, that a Party developed,

created, or acquired during the execution of the Contract. The Results shall become the exclusive property of Purchaser as and when they are created or developed.

15.2.2 Supplier assigns to Purchaser on an exclusive basis all intellectual property rights related to the Results for the entire world and the entire term of protection of the Results as provided for in national or international conventions or treaties applicable to intellectual property, whether present or future.

15.2.3 Supplier agrees that the price stated in the Contract includes the assignment of the ownership of all the intellectual property rights on the Results and of the relevant licenses on the intellectual property rights on the Background as provided above.

15.2.4 With respect to copyrights associated with Results, Supplier assigns to Purchaser on an exclusive and worldwide basis for the legal term thereof all of the representation and reproduction rights for any purposes and for all uses to the fullest extent, direct or indirect, including, but not limited to: (i) the irrevocable right to reproduce by any means on any media, newspapers, internet, and digital media, or the like; (ii) the right of identification and marking by any means; (iii) the representation right by any means; (iv) the right to correct, adapt, upgrade, enhance, modify, augment, or create derivative works; and (v) the right to publish and commercially exploit. The rights thus assigned shall apply to any applications and may be assigned by Purchaser to any third party of its choice.

15.2.5 Purchaser shall be solely entitled to decide to protect the Results in whole or in part, in its own name or that of any ALSTOM Group Company, and without any consideration or compensation of any nature whatsoever being due to Supplier in addition to the price stipulated in the Contract for the Goods and/or Services in question.

15.2.6 Supplier shall, on its own behalf and on behalf of employees, representatives, agents, service-providers, or sub-contractors, perform all of the necessary formalities to cause the provisions of the present *Article 15 INTELLECTUAL PROPERTY* to become effective.

15.2.7 For the sake of clarity, the expiration or termination of the Contract shall not affect the assignment of intellectual property rights on the existing Results at the time of expiration or termination.

15.2.8 Except for any commercial advertising purpose, each Party gives the other the authorization to mention their respective names and logo(s) for communication purpose only about their business relationship existence considering the applicable branding. This reciprocal authorization includes the right to reproduce or represent or allow third parties to reproduce or represent the names and/or the logo(s) on any media, including paper, numerical support, and/or the internet. For any other communication use, Supplier's must request permission by contacting Purchaser's Brand Communication department, ALSTOM Brand Communication Department, either by mail at 48 rue Albert Dhalenne, 93400 Saint-Ouen sur Seine (France) or by email to brand.requests@alstomgroup.com. If either Party determines that the other Party is not compliant with this *Article 15.2.8*, such Party shall provide written notice to the other Party and the other Party shall immediately withdraw any such use.

15.3 Infringement

15.3.1 Supplier represents and warrants that the Goods and/or Services, any material, any design, or any other works or information provided by or on behalf of Supplier in this Contract, including the use thereof, do not infringe any intellectual property right of a third party. Supplier shall protect, defend, indemnify, and hold harmless Purchaser, its Affiliates, and Customers from and against all claims and liabilities based on alleged or actual infringement thereof and such indemnity shall not be deemed a consequential damage.

15.3.2. Supplier shall protect, defend, indemnify, and hold harmless Purchaser and Customer from and against any and all losses, costs, liabilities, claims, damages, and expenses of every kind and nature as incurred that results from, relates to, or arises out of any claim, legal action, or administrative proceedings, brought by a third party against Purchaser for infringement of patent, design, trademark, copyright, or any other existing intellectual property right pertaining to the Goods and/or Services ("**Third Party IP Claim**").

15.3.3. In the event of a Third Party IP Claim, Purchaser shall notify Supplier accordingly and Supplier shall defend the claim at its own expense. Purchaser shall provide the necessary reasonable assistance upon Supplier's request and at Supplier's own cost and expense.

15.3.4. In the event that a court of competent jurisdiction adjudicates that an intellectual property right constitute an infringement, upon Purchaser's request, Supplier shall modify or replace at its own expense the infringing item, provided that such modification or replacement shall not affect the purpose, value, use, or performance of the Goods and/or Services. Upon Purchaser's request, at Supplier's shall promptly at its own cost and expense, either: (i) procure the right to continue using the Goods; (ii) replace the Goods with non-infringing Goods satisfactory to Purchaser; or (iii) modify the Goods in a manner satisfactory to Purchaser so as to render it non-infringing.

15.4 Third Party Rights

If either Party needs to use any element protected by an intellectual property right owned by a third party in order to implement its obligations under the Contract, the Party shall inform the other Party of the purpose and the extent of such third party rights, shall remain responsible vis-à-vis this third party, and ensure that using such element does not limit any rights assigned to or licensed to the other Party under the Contract.

15.5 Escrow

15.5.1 At Supplier's own cost and within a maximum of sixty (60) days after the signature Contract by both Parties, Supplier shall deposit the (i) software source codes, including all the necessary files for the recompilation of the source codes, their protection, their program tools, and the documentation related to such source codes; (ii) all documentation relating to assistance, maintenance, correction and evolution of the software in their latest version; and all the necessary documents for the manufacturing, repair, and the maintenance of all Goods ("**Deposit Materials**").

15.5.2 If an escrow agreement is an annex to the Contract, it shall apply to any deposit and agreement between Supplier, Purchaser, escrow agent and, if necessary, the Customer.

15.5.3 Supplier shall deposit a copy of any release, update, or new version of the Deposit Materials to the escrow agent within sixty (60) days from the issuance of such release, update, or new version during the entire term of the Contract. At the time of each deposit or update, Supplier shall provide the escrow agent with an accurate and complete description of the Deposit Materials.

15.5.4 Upon Purchaser's written request to the escrow agent, the Deposit Materials shall be released to Purchaser if any of the following events occurs: (i) Supplier becomes bankrupt, or insolvent or any step is taken for Supplier's winding up or dissolution or any similar or analogous proceedings or event occurs; (ii) Supplier ceases to manufacture and/or sell the Goods, either on a temporary or permanent basis, without being able to provide Purchaser with an alternative source of supply that at least has the same specifications as the Goods; or (iii) Supplier is in material breach with any of its obligations in the Contract. Supplier will be deemed to be in material breach that which has not been remedied pursuant to *Article 22.2 Termination for Cause, Subsection (c)*. A copy of Purchaser's written request to the escrow agent shall be sent to the Supplier; (iv) Supplier becomes controlled by a third party who is a direct competitor of Purchaser and, in the reasonable opinion of Purchaser, such change of control may adversely affect Purchaser's interests; (v) Supplier assigns its intellectual property rights in the Deposit Materials to a third party ("**Assignee**") and the Assignee fails to continue escrow protection for the benefit of Purchaser within twenty (20) business days of all Parties' knowledge of such assignment, where the Assignee or Supplier has failed to either enter into (i) a novation agreement with the escrow agent for the assumption of Supplier's rights and obligations under the Contract by the Assignee; (ii) a new escrow agreement for the Deposit Materials that offers Purchaser substantially similar protection to that provided in the original escrow agreement; or (iii) Supplier, its agent, and/or affiliated companies, as the case may be, ceases to perform its obligations in connection with the Deposit Materials and has failed to remedy such default within a reasonable period of time after Supplier having been sent notice by Purchaser of such default.

15.5.5 Following such Purchaser's written request to the escrow agent set forth in the aforementioned, Purchaser shall be entitled to use and exploit the Deposit Materials for the purpose of understanding, maintaining, using, modifying, and correcting the Deposit Materials, in order to carry out its own developments, to manufacture or to have manufactured the Goods, to perform the assistance services and maintenance services for the Project, and for which a Contract has been entered into by the Parties. Once Purchaser has been granted the right of access and the right of use of the Deposit Materials. Purchaser shall limit its use of the Deposit Materials and the duration of its use to what it may reasonably need. Such rights of access and use shall not include a transfer to Purchaser of the intellectual property rights of the Deposit Materials.

16. WARRANTY

16.1. General Provisions

In addition to and without prejudice to all other warranties provided by Supplier, Supplier warrants that (a) the Goods and/or Services will be new, of good and satisfactory quality, fit for the purposes for which they are intended, in strict conformity with all requirements of the Contract and legislation in force, free from any defect or lack of conformity in design, and carried out in a professional and workmanlike manner, and (b) Purchaser shall enjoy absolute and unencumbered title to the Goods and/or Services and any related materials. Supplier's warranty does not include defects resulting from normal wear and tear on the Goods, usage not compliant with the associated documentation, or negligence attributable to Purchaser and/or its staff as sufficiently demonstrated by Supplier.

16.2. Warranty Period and Related Obligations

Unless the Contract provides otherwise, the contractual term of the warranty shall be twenty-four (24) months from the date on which Purchaser's system or product which incorporates the Goods and/or results of Services is put into commercial service, or thirty-six (36) months from the delivery of the Goods and/or Services pursuant to the applicable Incoterms®, whichever is the earlier. During the warranty period, at Supplier's expense Supplier shall implement all necessary actions to mitigate the consequences of any non-conformity for which Purchaser has sent notice to Supplier no later than two (2) business days from the Purchaser's written notice to Supplier of such non-conformity. Supplier shall apply the most appropriate solution after Purchaser has consented thereto. At its own expense, Supplier shall remedy the non-conformity within the time-period provided by Purchaser. Supplier is responsible for all costs relating to the non-conformity, such as, but not limited to, diagnosis, logistics, disassembly, reassembly, and installation of the Goods onto the Customer's equipment. Any replacement of or repair to any Goods or parts thereof affected by a defect shall give rise to the application of a new warranty period covering such Goods or parts thereof for a period of twenty-four (24) months from the date of the repair or replacement.

16.3. Should Supplier fail to respond to Purchaser's notice of non-conformity or fail to commence containment and mitigation measures within two (2) business days of the notice of non-conformity, Purchaser may, at its discretion, repair, scrap, or replace the Goods itself or through a third party and Supplier shall reimburse Purchaser for such costs.

16.4. Epidemic Defects

For the purpose of this *Article 16.4 Epidemic Defects*, "**Epidemic Defect**" shall mean the same defect affecting at least five (5%) per cent of the Goods or a same defect affecting at least three (3 %) per cent of circuit boards, components, or electronic sub-assemblies delivered by Supplier to Purchaser under the Contract, measured over a continuous period of twelve (12) consecutive months starting from delivery of the first Goods until three (3) years after the date of the delivery of the last Goods for the same Project. If an Epidemic Defect affects the same part or the same Goods in one or more Orders, Supplier shall repair, replace, or redesign all of the identical parts or the same Goods that are the subject of said Order. Supplier shall also be responsible for all costs related to the logistics, dismounting, and mounting of the Goods or parts thereof. In the event Supplier repairs the Goods subject to an Epidemic Defect, the warranty period covering Goods shall be extended for a period of twenty-four (24) months from the date of commissioning of the repaired part or Goods. Throughout the duration of the warranty period for Epidemic Defect, Supplier shall provide an analysis

and action plan to correct any Epidemic Defect as notified by Purchaser no later than five (5) business days from said notice. This action plan shall be implemented within a reasonable period of time to be mutually agreed upon by the Parties, taking into consideration the nature of the Epidemic Defect.

16.5. Reliability

Reliability targets ("**Mean Time Between Failures**" or **MTBF**") are defined in the technical specifications of the Contract. Notwithstanding the application of liquidated damages relating to reliability defined in the Contract, the Goods shall remain covered by the warranty defined in this *Article 16 WARRANTY* as long as the reliability commitments have not been reached.

16.6. Consignment Stock

16.6.1. Principle. Supplier shall provide Purchaser with a stock of consignment spare parts ("**Consignment Stock**") at no additional cost to Purchaser sufficient to enable Supplier to fully perform its warranty obligations as defined in this *Article 16 WARRANTY*. The Consignment Stock shall not be used to cure Epidemic Defects, Defects, or nonconformities that are not covered by warranty as defined in this *Article 16 WARRANTY*. The ownership of the content of the Consignment Stock shall remain with Supplier. If Purchaser uses the Consignment Stock for other purposes, Purchaser shall place an Order to replace the used parts in the Consignment Stock without delay. If the parts are used to cure a Defect within the scope of the Warranty as defined in this *Article 16 WARRANTY*, ownership of the said parts shall pass to Purchaser without any additional cost to Purchaser.

16.6.2. Management of Consignment Stock. The exact content of this Consignment Stock and their packing conditions shall be defined no later than (1) month prior to the first delivery of the Goods. Throughout the warranty period as defined at this *Article 16 WARRANTY*, Supplier shall update the content, the reference number, and quantity of the Consignment Stock so that any after-sales services and repairs, whether by Purchaser or Supplier, can be commenced no later than (4) working hours from the Purchaser's notice of the need thereof. Supplier shall base the content of the Consignment Stock on Supplier's reliability analysis and number of maintenance sites. The Consignment Stock shall be identical to the parts and/or series of the delivered Goods for the Project. Supplier shall update the content of the Consignment Stock as the series Goods evolves over time. The Consignment Stock shall be provided to Purchaser no later than delivery of the Goods as provided under the Contract. The parts of the Consignment Stock shall be delivered with packaging that enables handling and storage. Supplier guarantees the integrity and use of the Consignment Stock during the warranty period defined in this *Article 16 WARRANTY*. In the event that the Supplier is located on Site, Supplier shall be responsible for managing Purchaser's and Supplier's access to and entrance and exit from the Consignment Stock. At the option of Purchaser, the Consignment Stock shall either be stored on the premises of Supplier or of Purchaser or made available to the Customer. Upon expiration of the warranty period defined in this *Article 16 WARRANTY*, Purchaser shall attempt to negotiate with the Customer its purchase of the remainder of the Consignment Stock. Should the Customer refuse to do so, the remainder shall be returned to Supplier at its own costs.

17. TRAIN LIFE SERVICES

17.1 Long-Term Supply

17.1.1 Supplier shall supply Goods corresponding exactly to the technical specifications as set forth in the Contract for a period of thirty (30) years from the delivery date of the last series equipment of the last Order linked to the same Project, unless otherwise agreed in the Contract.

17.1.2 If at any time during this thirty (30)-year period, Supplier fails to meet this obligation, (i) it shall inform Purchaser in writing as soon as it knows its failure; and (ii) it shall give to Purchaser the possibility of purchasing a stock of Goods to satisfy Purchaser's requirements for the period during which Supplier cannot meet its obligations; and (iii) provide to Purchaser all the drawings, specifications, specific tools, documents, and information regardless of their support, to enable Purchaser to find alternative source of supply.

17.1.3 Should Supplier decide to cease manufacture and sale of any of the Goods, it shall so inform Purchaser in writing at least twelve (12) months prior to any such cessation. In this case, Supplier shall give to Purchaser the possibility of purchasing its stock of Goods. In addition, Supplier shall provide to Purchaser all the drawings, specifications, specific tools, documents and information for manufacture, sale, repair, and maintenance of such Goods in order to enable Purchaser to continue performance of the contract entered into by Purchaser and Customer for a Project.

17.1.4 Should Supplier intend to sell to any third party any product involving any element owned by Purchaser pursuant to *Article 15 INTELLECTUAL PROPERTY*, then Supplier shall first request Purchaser's prior written consent and Supplier shall pay to Purchaser a consideration equal to twenty percent (20%) of the Ex-Works sale price of such products to the third party.

17.2 Obsolescence

A Good is considered as obsolete when it is no longer possible to order identical or functionally equivalent and compatible spares. Supplier's obligations in terms of obsolescence management are defined in the Contract.

17.3 Life Cycle Cost

17.3.1 For each item of Goods, Supplier shall provide a document called "Life Cycle Cost" ("**LCC**") at the latest on the date of the Contract entering into force. This document shall specify all costs related to maintenance operations and shall be registered in the database selected by Purchaser. The LCC shall form part of the contractual documents of the Contract.

17.3.2 In such LCC document, Supplier shall commit to the following parameters, as defined in the Contract: (i) corrective maintenance: Reliability rate (medium kilometer between each failure or MKBF); (ii) Medium Time To Repair the Equipment ("**MTTR**") and raw medium cost (price of each part multiplied by its own reliability rate) or a fixed repair price; (iii) preventive maintenance: medium cost per kilometer on 2 years, 5 years, and 10 years; and (iv) costs of main maintenance operations and recommended frequency for those main maintenance operations.

17.3.3 The Parties shall review such LCC document two (2) years after the commissioning by the Customer and before the end of warranty period defined in *Article 16 WARRANTY*, and then, every two (2) years thereafter, in order to assess the consumption, the frequency of spare parts changes, the unit price, and mounting and dismounting time.

17.3.4 If any such review indicates that the actual maintenance cost on the elapsed year is for the same period greater than the LCC initially submitted, Supplier shall (i) analyze the causes of this gap; (ii) implement an action plan to remedy this gap; and (iii) if the gap is attributable to Supplier, Supplier shall be responsible for costs related to this action plan. The price for the parts and spare parts specified in the LCC shall be the maximum price for those parts in the after-series phase.

17.4 End of Life

No later than the FAI date, Supplier shall provide a document describing different recycling or disposal processes of the Goods, their components, and "end of life" subassemblies, unless otherwise required by Purchaser. Such document shall comply with the Customer's country regulations as of the delivery date of the Goods.

17.5 Integrated Logistic Support Activities

With regards to integrated logistic support, Supplier shall deliver studies made during the design phase ("**Studies**") as well as the Documentation detailed in the Contract, including the following:

- System / Equipment Logistic Breakdown Structure at LRU and SRU levels
- General LCC commitment on all activities of preventive and corrective maintenance
- Preventive and corrective maintenance documentation (technical level 1 to 4)
- Spare parts (initial batch, capital spares, spare parts) and consumables list
- Tools and test equipment list
- Obsolescence Management Plan
- Maintenance Training Plan
- End Of Life Management Procedure

The Documentation shall be delivered in the format and template provided by Purchaser. The Studies and Documentation shall be updated and provided by Supplier per Contract and/or Order.

17.6 Consumables

During the design phase, Purchaser may participate in the selection of Supplier's suppliers of consumables. In such a case, the choice regarding the final selection of said suppliers shall be mutually agreed between the Parties. Two suppliers shall be identified and selected for each type of consumable.

17.7 Software and Embedded Software

Notwithstanding any other provision of the Contract, Supplier warrants that the Software, including all dating systems and/or date/time functions provided by Supplier, whether provided as Goods or embedded in the Goods or Services, whether separately or in combination, will function correctly and reliably without any limitation or interruption throughout the lifetime of the products and/or services of Purchaser into which the Software is embedded (at least 35 years from last delivery). During this lifetime warranty period, Supplier shall, at its cost, promptly correct any non-compliance with the warranted functionalities which shall include one-time or repeated corrections of the impacted products or services. Supplier shall at its cost perform specific testing to demonstrate to Alstom's satisfaction that the warranted dating systems and their date/time functions work correctly and reliably without any limitation and interruption. Such testing shall be conducted by regression tests upon Purchaser's demand at any time during the lifetime of Purchaser's product and/or services into which the Software is embedded. For the purpose of this clause any reference to any limitation includes known time limitations such as Year 2038 limitations, Year 2036 limitation with NTP V3 and GPS Roll over every 20 years' time problems and any other limitations.

18. LIABILITY

18.1 IF A PARTY FAILS TO PERFORM ONE OR MORE OF ITS OBLIGATIONS UNDER THE CONTRACT RESULTING FROM AN ACT OR OMISSION OF THAT PARTY OR ITS AGENTS, REPRESENTATIVES, OR SUB-CONTRACTORS THAT GIVES RISE TO DAMAGES OR A LOSS TO THE OTHER PARTY, SUCH DAMAGES OR LOSSES SHALL BE RECOVERABLE FROM THE DEFAULTING PARTY.

18.2 Supplier shall defend, indemnify, and save harmless purchaser 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 execution of or failure to supply the goods and/or perform the services, or resulting from anyone directly or indirectly employed by supplier or anyone for whose acts supplier may be liable, whether such claims are based on breach of contract, breach of warranty, tort (including negligence), product liability, strict liability, or otherwise.

19. INSURANCE AND BONDS

19.1 Supplier shall obtain and maintain the following minimum insurance coverages issued by a reputable insurance company acceptable to Purchaser, during the term of the Contract and for at least five (5) years thereafter. Supplier may satisfy the insurance limits required herein through any combination of primary and excess/umbrella coverages:

(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 liability assumed under the indemnification provisions set forth in the Contract. This insurance shall include a severability of interests or cross liability clause and be primary and non-contributory to any similar insurance maintained by Purchaser. 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 Purchaser; (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) to the extent Supplier is performing any design services, 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.

19.2 With the exception of Workers' Compensation, Employer's Liability and Professional Liability, Purchaser, 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 cause to be waived, any and all rights of subrogation which might now or hereafter exist against Purchaser, its directors, officers, employees, agents, parents, Affiliates and legal entities to the fullest extent permitted by law.

19.3 Prior to the Contract, Supplier shall produce up-to-date insurance certificates, issued by its insurance company, indicating the reference number and the effective date of the insurance policy, the cover provided, the amounts and deductibles, sub-limits, activities, nature of the work or assignments covered. Supplier shall also provide evidence that it is up to date with payment of the premiums.

In case of a multi-year insurance policy, Supplier shall produce the above-mentioned certificate(s) every year on the renewal date of its insurance policy.

The provision of proof of the required insurance does not in any way restrict or limit the liability of Supplier towards Purchaser as may be outlined in the liability provision of the Contract. Supplier shall notify Purchaser of any modification affecting its insurance policies, as well as any event likely to cause the suspension or termination of the policies subscribed to if such change is likely to affect Supplier's obligations.

Within the scope of any Project, in order to guarantee the proper performance by Supplier of its obligations under the applicable contractual documents, Supplier shall have issued:

- if Supplier is part of a group companies, at Purchaser's option either by a bank acceptable to Purchaser or by a parent company of any tier acceptable to Purchaser,
- if Supplier is not part of any group companies, by a bank acceptable to Purchaser, a first demand and irrevocable performance bond in favour of Purchaser within one (1) month from issuance of each Order. The amount of the performance bond shall correspond to twenty percent (20%) of the amount of such Order. The performance bond shall expire upon delivery of the complete Documentation (with respect to NRC Order) or delivery of Goods under the related Order.

20. FORCE MAJEURE

20.1. "Force Majeure" shall mean any event or circumstance that (i) is beyond the reasonable control of the Party affected thereby; (ii) could not reasonably have been foreseen as of the date of the Contract; and (iii) the affected Party, acting and having acted with all due diligence, could not have prevented, mitigated, or overcome, such as, war, acts of a public enemy, revolution, civil commotion or riots, epidemic, fire, flood, explosion, act of Government, act of God, earthquake, terrorist acts, and national strikes or labor disputes. For the avoidance of doubt, the following shall not be deemed to be Force Majeure events: (i) factory unrest and employee strikes of any kind (whether national, State-wide or specific to Supplier; (ii) production bottlenecks, the lack of the required import/export licenses or import/export authorizations of the authorities, lack of qualified personnel, lack of material, or financial problems on the part of the affected Party; and (iii) any impacts resulting from or related to coronavirus/COVID-19 or any variants thereof.

20.2. The Party affected by a Force Majeure Event shall immediately 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 potential delay in delivery of the Goods and/or execution of the Services.

20.3. Supplier shall not be entitled to seek Force Majeure relief under the Contract on behalf of its own suppliers and/or subcontractors delays, except to the extent that the relevant supplier/subcontractor is itself subject to a Force Majeure Event covered herein and Supplier cannot reasonably circumvent the effect of Supplier/subcontractor's default or delay in its performance through the use of alternate sources, work-around plans, or other means.

20.4. During any Force Majeure event affecting Supplier's performance, Purchaser may, at its option, purchase the Goods or Services from other sources and reduce its delivery schedules to Supplier by such quantities or require Supplier to provide Goods or Services from other sources in quantities and at times requested by Purchaser at the price set forth in the Contract.

20.5. If the Force Majeure event lasts more than thirty (30) days from notice by the Party suffering from Force Majeure to the other Party, both Parties shall meet to determine the conditions of the implementation or the termination of the Contract.

21. N/A

22. SUSPENSION AND TERMINATION

22.1. Suspension. Purchaser may suspend the performance of the Contract at any time with prior notice to the Supplier by either registered letter with acknowledgement of receipt or by national courier service with receipts tracking capabilities. If and to the extent that the suspension exceeds three (3) months, Supplier may claim compensation restricted to the additional reasonable and documented expenditures directly caused by the suspension.

22.2. Termination for Cause: Either of the Parties may terminate the Contract without prejudice to the exercise of its other rights and remedies at contract or at law, for any of the following:

- a) Suspension pursuant to *Article 22.1 Suspension* for more than six (6) consecutive months starting from Purchaser's date of notification of suspension;
- b) If an event of Force Majeure occurs that is of such nature as to delay the performance of the Contract by more than three (3) months, without further formality, other than the other Party's notice of termination due to such Force Majeure by registered letter with acknowledgement of receipt or by nationally recognized courier with receipt tracking capabilities; and/or
- c) The other Party fails in any of its obligations under the Contract, the non-defaulting Party provides notice thereof to the defaulting Party by registered letter with acknowledgement of receipt or by nationally recognized courier with receipt tracking capabilities, and the defaulting Party did not remedy this default within fifteen (15) calendar days following receipt of such notice.

22.3. Termination for Convenience: Purchaser may terminate all or any part of the Contract for convenience at any time by giving sufficient prior written notice, by sending a registered letter with acknowledgement of receipt to Supplier or by nationally recognized courier with receipt tracking capabilities.

22.4. Purchaser may terminate the Contract in the event of termination of the contract existing between Purchaser and the Customer.

22.5. In the circumstances covered in *Articles 22.3 Termination for Convenience* and *Article 22.4*, Purchaser will pay to Supplier as its sole and exclusive remedy for such termination the following amounts, without duplication:

- (a) The Contract price for all Goods and Services that have been completed in accordance with the Contract and not previously paid for; and
- (b) The actual, direct, reasonable, and justified costs of work-in-process and raw materials incurred by Supplier in furnishing the Goods or Services under the Contract until the termination thereof, to the extent such costs are duly documented, reasonable in amount, and are properly allocable or apportionable under generally accepted accounting principles to the terminated portion of the Contract. In no case shall this compensation exceed the amount of the Contract.

22.6. Supplier shall include similar provisions to those contained in this *Article 22.3* in its own purchase orders or subcontracts linked to the Contract in order to minimize the potential financial impact of the application thereof.

23. TAXES AND DUTIES

23.1. 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.

23.2. Purchaser shall have the right to deduct from the payments due to Supplier under the terms of the Contract any taxes, levies, and similar charges if Supplier fails to remit to Purchaser the necessary certificates covering exemption from such deductions.

24. ASSIGNMENT, SUBCONTRACTING, AND CHANGE OF CONTROL

24.1. Assignment: Purchaser may assign the Contract or any part thereof to the Customer or successors in interest of the Customer, or to any Alstom Group company upon written notice to Supplier. Under no circumstances may Supplier transfer, assign, or delegate, in whole or in part, any of its rights or obligations under the Contract (including, without limitation, any right of payment), whether directly or indirectly, by merger, acquisition or contribution to a joint venture, or otherwise without Purchaser's prior written consent.

24.2. Subcontracting: Supplier will not subcontract any of its obligations under the Contract without the prior written consent of Purchaser. Any such consent of Purchaser will not release Supplier from or limit any of Supplier's obligations under the Contract. Supplier warrants and represents that any such subcontractor's performance will satisfy all requirements applicable to Supplier under the Contract. Supplier shall ensure similar restrictions are flowed down to its sub-suppliers and/or subcontractors. Supplier shall nonetheless be liable for the acts or omissions of any sub-suppliers and/or subcontractors at any tier, its agents, and employees as if they were the acts or omissions of Supplier.

24.3. Change of Control: "**Change of Control**" shall mean the acquisition by a third party of direct or indirect control of Supplier. A third party shall be deemed to control Supplier if it, directly or indirectly (i) holds a majority of the voting rights in Supplier; (ii) has the right to appoint or remove a majority of Supplier's board of directors, supervisory board, or any other body in charge of or controlling the management of Supplier; or (iii) has the right to exercise a dominant or decisive influence over Supplier.

24.4. In the event a Change of Control is likely, Supplier shall (i) promptly give Purchaser prior written notice of such event identifying the potential investor/acquiring party, the contemplated modification in the share capital composition, or any other change; (ii) provide any relevant information to Purchaser during the Change of Control process; and (iii) provide Purchaser with the commitments taken by the acquiring party to ensure the proper execution of the Contract and to commit to indemnify Purchaser of all negative changes which could occur from this change of control.

24.5. In the event of such Change in Control, any merger involving Supplier, whether through absorption by a third company, creation of a new company, demerger, partial asset transfer, or any other operation involving integration or restructuring of Supplier, Purchaser may terminate the Contract by providing one (1) month's prior written notice thereof.

25. COMPLIANCE WITH LAWS AND REGULATIONS

Supplier shall comply with any and all local, state, federal, provincial, national, and international law, treaty, convention, protocol, common law, regulation, directive, code, standard, ordinance, order (including judicial order), or rule and regulation issued by governmental agencies or authorities, including those dealing with anti-bribery and anti-corruption; environment, health and safety; labor and employment; record retention; personal data protection; the transportation or storage of hazardous materials; and responsible mineral sourcing of the country of destination applicable to the Goods and Services and in particular with the following obligations deemed essential obligations to the Contract and any Order issued hereunder.

25.1. Ethics and Compliance

25.1.1 Legal and Ethical Compliance

Purchaser requires its suppliers and contractors to strictly comply with all applicable legal requirements relating to their activities and business environment and Supplier/Contractor agrees to comply therewith.

25.1.2 Alstom's Ethics and Sustainable Development Charter

Supplier hereby acknowledges having read and having full knowledge of Alstom's Ethics and Sustainable Development Charter that is deemed incorporated into this agreement by reference and available on the Alstom web site at the following address:

<https://www.alstom.com/company/commitments/sustainable-procurement>. Supplier agrees to comply therewith and shall ensure, when applicable, that each of its corporate entities of the group to which it belongs, its vendors, suppliers, or subcontractors will comply with such provisions.

25.1.3 Corruption

25.1.3.1 Purchaser prohibits all unlawful payments and practices and is fully committed to the elimination of corruption in its business transactions, including, but not limited to facilitation payments. Supplier shall comply with all applicable laws and regulations regarding corruption, bribery, unlawful business activities, and extortion. Supplier shall never make or approve an unlawful payment to anyone under any circumstances. Supplier warrants and represents that it has not directly or indirectly paid any commission or fees or granted any rebates to any third party, employees of Purchaser or Purchaser's Customer, or provided any gifts, entertainment, or any other non-monetary favors or other arrangements in violation of Alstom's policy or the law. Any breach of this *Article 25.1.3 Corruption* shall be considered to be a material breach. Supplier shall indemnify and hold harmless Purchaser, its affiliates, officers, employees, or agents, from and against all liabilities, claims, expenses, loss, and/or damage arising out of or in connection with Supplier's breach of its obligations and/or warranties under this *Article 25.1.3 Corruption*, without prejudice to any other rights or remedies Purchaser may have at contract, at law, or otherwise.

25.1.3.2 Audit Rights

In the event of suspected violation of the aforementioned, Supplier shall permit Alstom's authorized accounting representative to inspect Supplier's accounts and records relating to the services provided or to this Contract. Supplier's obligation to allow inspection of its accounts and records shall continue for a period of 2 years after the expiration of this Contract.

25.1.4 Conflicts of Interest

Supplier shall identify and avoid situations where there is an actual or potential conflict of interest. Supplier shall promptly disclose any actual or potential conflict of interest under this Contract. Supplier's employees are prohibited from accepting kickbacks or bribes of any form.

25.1.5 Gifts and Hospitality

Purchaser's policy limits its employees' ability to accept gifts and hospitality. Gifts and hospitality are acceptable only if they are of a reasonable, modest, and symbolic value, occasional, transparent, and can be reciprocated. Purchaser requires Supplier to refrain from offering gifts and hospitality to Purchaser employees and to refuse all gifts and hospitality that would not correspond to the aforementioned criteria.

25.2. Export Control and Trade Sanctions

In performing its obligations hereunder, Purchaser requires Supplier to comply with and Supplier shall comply with all applicable trade sanctions regulations and similar requirements establishing export controls on goods, services, software, or technology, as may be amended, including, but not limited to:

- (i) U.S. Export Administration Regulations (EAR) which are administered by the U.S. Department of Commerce's Bureau of Industry and Security (BIS);
- (ii) European Council Regulation 428/2009;
- (iii) Economic sanctions implemented by the U.S. Department of the Treasury's Office of Foreign Assets Control (OFAC), the EU, the French Republic, the Office of Financial Sanctions Implementation of Her Majesty's Treasury United Kingdom (UKHMT OFSI), and/or the Hong-Kong Monetary Authority (HKMA);
- (iv) Uyghur Forced Labor Prevention Act;
- (v) Section 1502 Conflict Minerals of U.S. Dodd Frank Act; and
- (vi) John S. McCain National Defense Authorization Act, including Section 889.

The obligations to comply with all applicable export control laws and regulations shall survive any termination or discharge of any other contract obligations. Supplier represents and warrants that it, any of its board of directors, any of its parent companies, and/or any of its or their shareholders with a legal or de facto controlling interest are not a sanctioned person with respect to this Article 25.2 (i.e. listed by a sanctions authority with jurisdiction over any of the Parties) and are not violating any such sanctions regulations and orders, to the extent that they are applicable to its business, dealings, and activities. In the event the aforementioned changes, Supplier shall inform Purchaser by written notice without delay and Purchaser may, at its option, suspend and/or terminate the Contract with immediate effect upon written notice to Supplier. Supplier agrees to irrevocably waive any and all claims against Purchaser arising from the suspension or termination of obligations pursuant to such suspension and/or termination. Supplier shall be solely responsible for obtaining any required authorizations for exports or re-exports as defined in laws, regulations, and orders related to sanctions. Upon Purchaser's request, Supplier shall promptly provide Purchaser with a certificate of compliance confirming acknowledgement of and compliance with the applicable export control regulations. Supplier is responsible for the accuracy of the delivered information for all supplied Goods.

25.3 Data Privacy

Each Party shall comply with the regulations in force applicable to the processing of personal data and, in particular, the provisions of Act No. 78-17 of 6 January 1978 as amended and the GDPR (REGULATION (EU) 2016/679 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 27 April 2016 on the protection of individuals with regard to the processing of personal data and on the free movement of such data and repealing Directive 95/46/EC), hereinafter together referred to as the "**Data Regulations**". Processing personal data is highly regulated; as such, throughout the Contract, Purchaser requires Supplier to comply with and Supplier shall comply with any and all Data Regulations, causing its subcontractors to comply with this regulation throughout the Contract.. The purpose of data processing under the Contract is the management and monitoring of the performance of the Contract, commercial relationships, and communication regarding the Parties' activities. Each Party remains responsible for the databases containing the personal data it has collected on its own behalf and shall comply with the Data Regulations regarding such databases. Within the framework of the Contract, each Party is hereby informed that personal data collected by the other Party may be processed, whether by automatic means or other means, and each Party acts as a data controller. As such, data subjects concerned by such data processing may exercise their rights regarding their personal data within the limits of the Data Regulations. Given the seriousness of the breach of their privacy and the heavy penalties imposed by the Data Regulations, any breach of this data may therefore be considered a serious breach, which will entitle Purchaser to terminate the Contract as per *Article 22.2 Termination for Cause* to the detriment of Supplier.

25.4. Environment, Health, and Safety

25.4.1. Supplier, its personnel, and/or any of its sub-suppliers and/or subcontractors shall comply with the laws and regulations in force related to the protection of the environment, the health and safety instructions applicable to the Goods supplied and Services performed pursuant to the Contract, and the Goods provided and Services performed at any Site pursuant to the Contract.

25.4.2. Supplier, its personnel, and/or any of its sub-suppliers and/or subcontractors shall comply with the internal rules at Purchaser and/or Customer's site(s) where it or they may be working for the purpose of performance of the Contract, including EHS rules and requirements, as applicable. In case of conflict between several EHS requirements, the most stringent standard shall apply.

25.4.3. In the event that Supplier, its personnel, and/or any of its sub-suppliers or subcontractors are present at or performing any activities at any Purchaser and/or Customer Site, Supplier shall ensure its or their appropriate qualifications and completion of appropriate trainings, taking into consideration any hazards associated with Site conditions, installations, and/or machinery nearby. Upon Purchaser's request, Supplier shall submit any proof relating to such trainings and qualifications.

25.4.4. If Supplier, its personnel, and/or any of its sub-suppliers or subcontractors fail to comply with any of the laws, regulation, and/or internal rules set forth in this *Article 25.4 Environment, Health, and Safety*, Supplier shall, upon Purchaser's request (i) replace its personnel or the personnel of its sub-supplier and/or subcontractor responsible for the breach, and/or (ii) terminate Supplier's sub-suppliers' and/or subcontractors' contracts. In addition, Purchaser may terminate the Contract for such Supplier's default. Supplier shall indemnify and hold harmless Purchaser, its affiliates, officers, employees, and agents against any and all liabilities, claims, expenses, loss, and/or damage arising as a result of the breach of its obligations and/or warranties under this *Article 25.4 Environment, Health, and Safety*.

25.5 Hazardous Substances

25.5.1. Supplier shall strictly comply with all applicable laws and regulations governing hazardous substances at the place of origin and at any temporary and final destination of the Goods or any part thereof pursuant to the Contract. Supplier acknowledges having read and being fully aware of the "Instruction to Suppliers Concerning the Placing on the Market and Use of Hazardous Substances" adopted by Purchaser and currently in force, which is available on Alstom's Supplier Portal at the following address: <http://www.alstom.com/supplier-portal/>. Supplier shall respect the principles thereof and represents and warrants that the Goods to be supplied to Purchaser shall not include any hazardous substances, elements, or waste of any kind that are prohibited by law or regulation at the place of origin and/or at any temporary and/or final destination of the Goods or any part thereof pursuant to the Contract.

25.5.2. Supplier represents and warrants that it shall not in the course of any activity arising out of or in connection with the Contract cause any of Purchaser's employees or representatives or any third party authorized by Purchaser to act on its behalf to be exposed to any such hazardous substances, elements, or waste as specified in *Article 25.5.1*, whether at Supplier's premises, workshop, manufacturing sites, or any other location. Supplier shall provide Purchaser in writing with all indications, instructions, warnings, and other necessary data in order to comply with the legislative or regulatory provisions applicable to hazardous substances and health and safety considerations.

25.5.3. Any Goods that do not comply with all requirements set forth in this *Article 25.5 Hazardous Substances* shall be deemed to be defective and a non-conformity.

25.6 Upon prior written request by Purchaser, Supplier shall make available to Purchaser all information and all assistance necessary to demonstrate compliance with the obligations set forth in this *Article 25 COMPLIANCE WITH LAWS AND REGULATIONS* and allow for and contribute to audits, including on-site inspections conducted by Purchaser or a third party appointed by Purchaser or Customer. Purchaser shall give written notice to Supplier of any such on-site inspection at least fifteen (15) days prior. In the event that (i) an audit is initiated by relevant authorities; (ii) Alstom employee and/or agents are exposed to hazardous substances; and/or (iii) Supplier fails to promptly provide Purchaser with the information listed in *Article 25.5. Hazardous Substances*, Purchaser is not obligated to provide Supplier with such prior written notice of such audit. Supplier shall indemnify, hold harmless, and defend Purchaser, its officers, directors, employees, or insurers from and against any and all claims, losses, liabilities, suits, judgements, expenses, and costs (including reasonable attorneys' fees) or the like arising out of or in connection with Supplier's breach of its obligations and/or warranties under this *Article 25 COMPLIANCE WITH LAWS AND REGULATIONS*, without prejudice to any other rights or remedies Purchaser may have at law, at contract, or otherwise.

26. APPLICABLE LAW AND DISPUTE RESOLUTION

26.1. Any and all claims, disputes, causes of action, interpretation, or controversy arising out of, based on, or relating in any way to the Contract or Order, whether in contract, tort, common law, statutory law, equity, or otherwise, including, but not limited to: (i) any question regarding the agreement's existence, validity, or scope; (ii) the negotiation or performance of the agreement to purchase parts or spare parts; (iii) this Order; (iv) any specification for the Goods and Services or (v) the breach, termination, enforcement, interpretation or validity thereof, including the determination of the scope or applicability of the arbitration provision, shall be governed by and interpreted in accordance with the laws of New York State, USA, notwithstanding its conflict of laws rules. Application of the United Nations Convention on Contracts for the International Sale of Goods (Vienna, 1980) is expressly excluded from this Contract.

26.2. The Parties shall use their best efforts to amicably settle any dispute arising out of or in connection with the Contract. If no amicable settlement is reached between the Parties within thirty (30) days from the date of notification of the dispute by one Party to the other, then the dispute may be referred by either Party to arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association. 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 proper jurisdiction. Anything to the contrary in this Order notwithstanding, neither Party shall be prevented from applying to a court of competent jurisdiction for such preliminary or interim injunctive relief, or relief in aid of arbitration, as may be necessary to preserve or restore the status quo. This *Article 26. APPLICABLE LAW AND DISPUTE RESOLUTION* shall not bar litigation regarding claims related to a Party's proprietary or intellectual property rights.