

VOSSLOH COGIFER ("VOSSLOH") GENERAL PURCHASING TERMS AND CONDITIONS (February 2018)

1-Object: These General Terms and Conditions (the "General Terms and Conditions") apply to the purchase of the goods and/or services (collectively, the "Products") identified in any purchase order issued by Vossloh to Seller. Vossloh hereby accepts to buy and the Seller accepts to design, manufacture, test and supply the Products with the expected quality in accordance with the Specifications, in the required quantity and time schedule set out in the purchase order.

2-Terms of the Order: The Order (the "Order") consists of : (i) the purchase order; (ii) Product Specifications, if any, issued by Vossloh to Seller in connection with the purchase order and (iii) these General Terms and Conditions. A contract is formed when the Seller accepts the Order. This occurs upon the earlier of: (a) Seller notifying Vossloh of its acceptance of the Order; (b) Seller retaining the purchase order (7) seven days without making written objections thereto; or (c) Seller beginning work or performance relating to the Order.

The order is limited to and conditional upon seller's acceptance of all terms of the order exclusively. Any additional or different terms proposed by Seller in Seller's quotation, acknowledgement, confirmation, invoice or in any other document transmitted by Seller to Vossloh in connection with the Order, are unacceptable to Vossloh, are expressly rejected and are not part of the Order.

3-General obligations of Seller: The Seller shall provide advice and information during execution of the Order. Information, documents, drawings and data shall be supplied in the quantities designated by Vossloh and entirely at the expense of the Seller. The Seller shall have at its disposal all equipment and tools necessary for the performance of the Order and shall assign qualified personnel in sufficient number to ensure performance of the Order within the time schedule. All Products must conform to Vossloh's Specifications and laws and regulations as may be applicable in the country of use including REACH and ROHS regulations. The Seller agrees to use the applicable technical and quality standards (e.g. ISO 9001:2000 and ISO 14001:2004, OHSAS 18001 health and safety certification). For each delivery, the Seller shall provide a certificate that certifies that the Products supplied are in conformity with the Specifications.

Any supplier who accepts an order agrees de facto to these "Vossloh Cogifer ("Vossloh") General Purchasing Terms and Conditions". Even without such written acknowledgment, Seller's full or partial performance under this Order will constitute acceptance of these Terms. Conditions set out by the Vendor which conflict with or deviate from these are not recognised by Vossloh unless Vossloh has explicitly accepted their validity in writing.

4-Price: The purchase price of the Products is set forth on the face of the Order. Unless otherwise stated in the Order, the purchase price is a firm fixed price for the duration of the Order and not subject to increase for any reason (if not, an escalation formula must be mentioned in the Order). Price is inclusive of all federal, state, provincial, and local taxes and any duties, customs, tariffs, imposts and government imposed surcharges and includes all storage, handling, packaging, shipping, delivery and all other expenses and charges of Seller.

5-Delivery date: The delivery dates set forth in the Order are the dates on which the Products shall be delivered on site, +/- 2 days. These dates are binding on the Seller. They may not be changed without the express written consent of Vossloh. Seller shall notify Vossloh immediately if Seller is unable to deliver Products in accordance with the terms set forth in the Order. If Seller, for any reason, does not comply with the schedule, Vossloh may, at its sole discretion, (i) approve a revised delivery schedule; (ii) require expedited shipment; (iii) cancel the Order and procure replacement Product from a third party and charge the costs resulting therefrom to Seller.

In the event of late delivery of Products, Vossloh may (i) request express delivery at the Seller's expense, and/or (ii) request the payment by Seller of penalties of 1% of late delivered Product value per day of delay. The penalties shall not be considered as a sole remedy or satisfaction of the Seller's liability for non-compliance in the performance of the Order.

Buyer reserves the right to reject and return all Products received after the scheduled delivery date and more than (10) business days in advance of any scheduled delivery date.

6-Delivery and Risk of Loss: Unless otherwise specified in the Order, Products will be delivered DDP as defined by the ICC INCOTERMS 2010 to Vossloh or the production site as directed by Vossloh. Risk of loss of the Products shall be borne by Seller until the Products are delivered to Vossloh or the production site as may be directed by Vossloh. Seller will properly pack, mark and ship the Products and provide related documentation according to the requirements of Vossloh, the involved carriers and the country of destination and will safeguard and insure the Products against any loss or damages. No charges will be allowed for boxing, wrapping, cartage, or storage unless specified in the Order. Seller shall provide Vossloh with a delivery slip stating the Order's number, the description and quantity of the Product delivered. Seller will also furnish a documentation and information necessary to establish the country of origin or to comply with the applicable country's rules of origin requirements.

7-Transfer of title: Title to and risk of loss of all Products subject to this Order shall remain with Seller until delivery and acceptance of the Products at Vossloh's delivery address set forth in the Order.

8-Invoicing and payments: Invoices must be sent in true copy to the Purchaser's accounting department. A separate invoice must be prepared for each Order and all invoices must indicate the Order number, a precise description of the Product, and the number and date of the related delivery slip. Any invoice not properly issued in accordance with these conditions shall be returned to the Seller immediately and Vossloh may withhold payment until such time as it receives an invoice that is properly issued. Unless otherwise specified in the Order, Vossloh will make payment within 30 days end of the month from the date of receipt of the invoice.

9-Warranty: The Seller warrants that all Products delivered by the Seller: (i) have been manufactured, stored and transported in accordance with all laws and regulations applicable in the country of manufacture, storage and transit, in particular those regarding health, safety, the environment and labor laws, and that they comply with the laws and regulations applicable in the country of delivery and use, (ii) are fit for the intended use and meet the Specifications set forth in the Order, (iii) are merchantable and are free from defects in workmanship or material and do not contain any design, manufacturing or operating defect or non-conformity. Seller warrants that the Products will not materially fail to operate according to their specifications during twenty four (24) months after delivery of the Product, and never less than the period define by the International Union of Railways (UIC) which is (5) five years for rails and (4) four years for crossings. This warranty is in addition to any and all other product warranties and representations set forth with respect to such Products and services and shall supersede any disclaimer or notice that attempts to limit such warranty. The Seller, for itself and its successors and assigns, agrees to defend, indemnify and save harmless Vossloh and its successors, lessees and assigns from an against any and all damages, claims, suits, judgments, costs and expenses whatsoever by reason of infringement or alleged infringement of intellectual property rights including, without limitation, patents, and against claims for patent royalties, involved as a consequence of the purchase or use of the Products. If this warranty fails of its essential purpose, Vossloh shall be entitled to any other remedies provided for by the Uniform Commercial Code.

10-Code of Conduct - Safety: The Seller is obliged to comply (i) with any anti-bribery and anti-corruption laws that applies in any jurisdiction in any part of the world in which it may carry out its business or in relation to which its business may be connected, (ii) with the principle and requirements of the "Code of Conduct" for Vossloh suppliers (<http://www.vossloh.com/en/>). In particular, the Seller shall not engage, actively or passively, directly or indirectly, in any form of bribery, violation of fundamental rights of its employees or child labor. Moreover, the Seller shall take responsibility for the health and safety of its employees and act in accordance with the applicable environment laws.

11-Remedies: All Products shall be delivered in conformity with the requirements of the Order.

Vossloh shall be entitled to reject any Products which are not in conformity with requirements or Specifications set forth in the Order, that are not merchantable or are unfit for the intended use or purpose and/or are otherwise defective or in breach of Seller's warranty (all referred to as "Defective Products"). Vossloh may cancel all open Orders and at its sole discretion (i) return the Defective Products for a refund or credit at the full invoice price, including reimbursement for return transportation cost; (ii) require Seller to replace, upgrade or repair the Defective Products; or (iii) cause Seller to pay Vossloh for expenses incurred in remedying the Defective Products, including without limitation, the purchase of substitute or functionally equivalent products. As an alternative to (i) through (iii), Vossloh may accept the Defective Products conditioned on Seller providing a refund or credit in an amount reasonably determined by Vossloh to represent the diminished value of the Defective Products. Seller bears all expenses or charges (including, without limitation, shipping and handling charges) in connection with the return of the Defective Products. The remedies set forth herein are in addition to any other remedy provided by the UCC or any written agreement between Vossloh and Seller, by law or in equity.

If any Products or their parts and components are Defective or otherwise appear not in conformity, Vossloh may notify Seller by sending a Non-Conformity Report. The Seller must then acknowledge it within forty-eight (48) open hours and deliver a detailed root cause analysis within ten (10) days after receipt of the claim. Should the Seller fail to submit such analysis within the prescribed time-limit, Vossloh claim will automatically be deemed accepted. Promptly upon receiving a Non-Conformity report, the Seller will develop, document and implement all curative, corrective and preventive actions in accordance with all applicable quality control policies and standards of Vossloh (such as 8D methodology).

12-Liability: Seller agrees to indemnify, defend and hold harmless Vossloh and its affiliates and any party who sells or uses any of Vossloh's Products or services purchased under the Order ("Indemnified Party") from and against any and all losses, liabilities, damages (consequential and otherwise), injuries, fines, penalties, costs and expenses of whatever form or nature (including attorneys' fees and other costs of legal defense) (collectively, the "Losses") including, but not limited to, any Losses from any claim, action, demand and suit made or brought by any third party, whether direct or indirect, that an Indemnified Party might sustain or incur arising out of acts or omissions of Seller, its agents, representatives, (sub)contractors and employees, including but not limited to, the following:

- Defect or non-conformity in the Products provided by Seller;
- Non-compliance or breach of the terms and conditions of the Order and breach of warranties, covenants or other obligations;
- Errors or omissions arising out of Seller's provision of services;
- Any spill, discharge or emission of hazardous wastes or substances which relates, in whole or in part, to the Products;
- Any recall campaign, costs of containment, sorting, repair, replacement, cure, cover, or any other costs incurred by Vossloh, in which Vossloh or any customer participates in connection with Seller's provision of Products; in such manner and in such amount as reasonably determined by Vossloh;
- Infringement of third party Intellectual Property Rights arising out of Seller's provision of Products;
- Personal injury and/or property damage;
- Any challenge to the Vossloh's sole right, title and interest in the Tooling or right to possession of the Tooling, brought by any third party, including, but not limited to, toolmakers, subcontractors, and lending institutions; and
- Labor or material liens arising out of or on account of the Products or their use or of any work performed by Seller or any of its subcontractors.

Promptly on Vossloh's request, Seller shall accept the defense of any claim for which Vossloh is indemnified hereunder (subject to Vossloh's concurrence in Seller's choice of counsel), pay all such losses, liabilities, damages, costs and expenses, including, without limitation, reasonable attorneys' fees for any claim, demand, suit, action, proceeding, litigation or settlement relating thereto.

13-Insurance: The Seller declares that as on the date of signature of this Execution of the Order and during its term, it has in place necessary insurance policies as for example marine cargo, property damages/business interruption, commercial and public/general liability from a reputable first rank insurance company and covering all of its obligations under this Order to an amount of at least € 2,000,000 (two millions euros)

14-Property rights: Seller shall use Vossloh's Property only for the production of Products for Vossloh and shall not use it to supply product or service to a third party. Vossloh's Property includes: (i) all of the Vossloh's Intellectual Property Rights, Confidential Information, Drawings and all other materials and items relating to the Products; (ii) packaging; (iii) equipment, materials or other items owned by Vossloh that are placed in the possession or control of the Seller for its use in connection with the Products. In case Vossloh pays for, Property includes all tooling, fixtures, gauges, jigs, patterns, castings, cavity dies and molds, with all related software and accessories.

The Seller guarantees to have all rights on intellectual property rights on the Products and not contravene or infringe third parties rights and shall indemnify Vossloh and/or the third party for any losses, damages, costs, charges and expenses arising out of or incurred by infringement or alleged infringement of any third party intellectual property rights and/or other rights borne or which have to be borne by the third party resulting from the use of such rights. To the extent the use of intellectual property is held to constitute an infringement and the claims in relation thereof are not finally settled on a basis allowing the continued use of intellectual property, the Seller may at its own expense modify or replace the infringing part, provided that such modification or replacement shall not impair its value operation or performance for the purpose it was granted.

15-Confidentiality : Any information, including, but not limited to, data, business information, technical information, specifications, drawings, sketches, models, records, samples, tools, software and documentation, written, oral or otherwise (all hereinafter referred to as "Confidential Information") furnished by Vossloh to the Seller shall remain Vossloh's Property. All copies of such Confidential Information in written, graphic or other tangible form shall be returned to Vossloh upon request at any time, or shall be otherwise disposed of as directed by Vossloh. Seller shall not at any time divulge, disclose or otherwise furnish to any third party any Confidential Information provided by Vossloh, except upon prior written authorization from Vossloh. 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 Order or the Parties' relationship and of the last order.

16-Subcontractors: The Seller shall in no case subcontract in whole or in part the execution of the Order to a third party without the written approval of Vossloh. The Seller shall in all cases remain totally responsible for the execution of all of its contractual obligations performed by its own subcontractors. If Vossloh approves Seller's ability to subcontract the performance of the Order, the Seller must ensure and require all subcontractors to be bound by the terms and conditions of the Order.

17-Termination: Vossloh may terminate any Order in whole or in part by written notice ("Termination Notice") to Seller:

- For default, effective upon delivery of the Termination Notice or upon such other date specified in said Termination Notice; or

- For convenience at any time prior to shipment of the Products by Seller. In this case, Seller shall immediately cease all work under this Order. If Products are specifically produced for Vossloh, Vossloh shall, within 90 days after Termination Notice, purchase all parts and materials already manufactured, including all work in process.

Seller shall be in default if (i) Seller breaches any warranty; (ii) Seller repudiates, breaches or threatens to breach any of the terms of the Order; (iii) Seller fails to deliver; or threatens not to deliver; Products in connection with an Order; (iv) Seller fails to make progress or to meet reasonable quality requirements so as to endanger timely and proper performance of the Order; (v) Seller becomes insolvent or makes an assignment for the benefit of creditors, or proceedings in bankruptcy or insolvency are instituted by or against Seller; (vi) Seller sells all or substantially all of its assets to a third party; (vii) Seller undergoes a change of control which, in Vossloh's sole discretion, is detrimental to the interests of Vossloh; (viii) Seller needs accommodations from Vossloh, financial or otherwise, in order to meet its obligations under the Order;

18-Applicable law – dispute settlement: This Execution of the Order is governed by french law, without regard to its conflict of laws principles. If a Party receives a claim letter from the other Party (considered as "Dispute Notice"), it shall answer to this claim letter within fifteen (15) calendar days from the date of receipt of such letter. If no amicable settlement is reached between the Parties within ninety (90) Days from the date of the Dispute Notice by one Party to the other, then the dispute arising out of or in connection with the Order shall be finally settled under the Rules of Arbitration of the Tribunal de Commerce de Nanterre by one or more arbitrators appointed in accordance with the said Rules. The arbitration proceedings shall take place in Paris, France and be conducted in the French language, unless the Parties agree otherwise.

19-Electronic Signatures: Seller and Vossloh agree that the use of digital signatures shall be acceptable. The parties acknowledge and agree that such digital signatures shall have the same legal effect as a written signature.
