1. **Differing Terms and Condition of Sale.** Buyer hereby gives notice of its objection to and shall not be bound by any difference or additional terms and conditions. Buyer’s awarding of this contract to Seller is based on Seller’s acceptance of Buyer’s standard terms and conditions, in accordance with the attached acknowledgment copy hereon, or if such products are to be specially manufactured for Buyer) to constitute such assent by Seller. These terms and conditions supersede any prior or contemporaneous agreements or correspondence between Buyer and Seller. No waiver of, nor amendment or addition to, any such terms and conditions shall be binding unless it is in writing and signed by an authorized representative of Buyer.

2. **Assignment; Subcontracting.** Seller shall not assign this order without the prior written consent of Buyer and the rights of any permitted assignee shall be subject to all set-offs, counterclaims, and other comparable rights arising hereunder. Any assignment by Seller without such written consent shall be null and void. Seller shall also not, except in the case of raw materials or standard items or unless otherwise agreed in writing by both of the parties, subcontract any part of the work to be performed hereunder to any third party.

3. **Substitutions; Extras.** No substitutions of materials may be made without Buyer’s prior written consent. No charges for extras will be allowed unless such extras have been ordered in writing by Buyer and the price thereof agreed upon.

4. **Compliance with Laws.** Seller’s performance of work and all products to be delivered shall be in accordance with any and all applicable executive orders and federal, state, municipal, and local laws, ordinances, rules, orders, requirements, and regulations.

5. **Title and Risk of Loss.** Title to and risk of loss or damage to each product or part to be delivered shall pass from Seller to Buyer upon delivery of such product or part at the designated FCA point. If product supplied or work performed by Seller is found to be defective, Buyer shall have the right to either require the prompt correction thereof by Seller, or correct the defect itself, at Seller’s risk and expense. Buyer may back charge Seller for the cost of any corrections. If correction of such product or work is impracticable, Seller shall bear all risk for such defective product and/or work and shall be liable for the cost of replacement. Buyer shall have the right to charge all costs and expenses in current and in the future. Final inspection and acceptance by Buyer shall be conclusive except for latent defects, fraud, or such gross mistakes as amount to fraud, for any other price paid under this contract.

6. **Changes.** Buyer shall have the right, from time to time, to make changes or additions, within the scope of this order, in or to (I) the drawings, specifications, or instructions for the work, (II) the quantity, or (III) the time or method of delivery or shipment. Should any change so ordered cause a material increase or decrease in the cost of, or the time required for, the performance of the work, an equitable and adjustment shall be made in the price order or time of performance of the work, as the case may be, as a condition precedent to any right to such adjustment, submit its written claim for such adjustment to Buyer within thirty (30) days after its receipt of Buyer’s Change Notice or after any other action of buyer which Seller considers to constitute a change. Buyer, unless written instructions to the contrary have been received from Buyer, proceed with the work as changed without interruption and without awaiting settlement of any such claim.

7. **Delivery Delays.** The time or times of delivery specified in this order are of the essence of this order. The delivery date(s) on this purchase order has been agreed upon by both the Buyer and Seller. If for some reason the Seller is unable to meet the original date or subsequently agreed to date and an air courier or some other method of transportation not specified by the Buyer at the time of placement has to be used, it shall be the Seller’s responsibility to pay any additional transportation costs. The above stipulation or provision does not apply to an original or previously changed delivery date which has been changed by Buyer from the original or previously changed date unless the Seller, after agreeing to meet the changed date, is unable to meet that date. Delivery in delay will be excused only if (I) such delay is due to strike, fire, wind, storm, riot, act of God, or other unforeseeable cause beyond the reasonable control and without the fault of negligence of Seller and (II) Buyer shall have notified Buyer in writing of the existence of such cause within five (5) days after the Seller knew or should have known that such cause will result in a delay in delivery. No delivery hereunder shall be made more than seven (7) days prior to the delivery date agreed upon and Buyer shall have the right to return earlier deliveries at Seller’s risk and expense or to charge any additional costs.

8. **Inspection and Test.** All product and work in progress shall be subject to inspection and test at all times and, when practicable, during manufacture as Buyer may direct. If any inspection or test, whether preliminary or final is made on Seller’s premises, Seller shall furnish, with charge, all reasonable facilities and assistance for safe and convenient inspections and tests required by Buyer’s inspectors. All inspections and tests shall be performed in such manner as will not unreasonably delay the work. Buyer shall have the right to change any additional cost of inspection and test when tests are not ready at the time inspection is requested by Buyer. Buyer shall work within, and inspect to, tolerances and limitations specified on drawings and specifications covering the work to be performed. Such tolerances and limitations specified shall be construed as mandatory unless otherwise agreed in writing by both of the parties, unless otherwise agreed to as an exception of all of the limitations specified in such drawings and specifications.

9. **Title and Risk of Loss.** Title to and risk of loss or damage to each product or part to be delivered shall pass from Seller to Buyer upon delivery of such product or part at the designated FCA point. If product supplied or work performed by Seller is found to be defective, Buyer shall have the right to either require the prompt correction thereof by Seller, or correct the defect itself, at Seller’s risk and expense. Buyer may back charge Seller for the cost of any corrections. If correction of such product or work is impracticable, Seller shall bear all risk for such defective product and/or work and shall be liable for the cost of replacement. Buyer shall have the right to charge all costs and expenses in current and in the future. Final inspection and acceptance by Buyer shall be conclusive except for latent defects, fraud, or such gross mistakes as amount to fraud, for any other price paid under this contract.

10. **Warranty.** Seller expressly warrants that the products or services to be delivered or performed hereunder will comply with the descriptions set forth or incorporated by reference herein, will be free of defects in workmanship or material, will be merchantable, and will be fit for such purposes as are expressed in, or reasonably inferable from, the specifications, drawings, or other descriptions which are a part of this order for a period of thirty-six months after the date of delivery by Seller or twenty-seven months after such items are first put into service by Seller’s customer, whichever first occurs, unless otherwise stipulated in a supplementary agreement. The foregoing warranty is in addition to, and not in lieu of, any warranties of the Seller.

11. **Liens.** Sellers shall deliver the products to Buyers free and clear of all liens, claims, encumbrances.

12. **Patent.** The products delivered hereunder shall assume all risks of infringement of patents brought against Buyer or its vendees, mediators, based upon the products purchased hereunder constituting a patent infringement and Seller and Buyer shall indemnify Buyer and such vendees against any decree or cost in such suit. Buyer shall indemnify Seller, to the same extent and in the same manner set forth above, in the event that the products are supplied according to Buyer’s designs or in the event that any infringement results from modification of the products by Buyer. No patent infringement by Buyer constitutes a contributory infringement by Buyer with products not purchased hereunder.

13. **Buyer-Furnished Property.** The following provisions shall, unless specifically otherwise agreed in writing, apply with respect to any and all tools, equipment, material or other property used in the manufacture of products for Buyer which are supplied to Buyer by Buyer or are specifically paid for by Buyer. All such property is referred to as Buyer-furnished property. (a) Seller shall have the right to use all Buyer-furnished property without payment of rent in the performance of this order or of other work for Buyer but shall not, without Buyer’s written consent, use the same on any work for others, including Seller’s own work. (b) Title to all Buyer-furnished property shall at all times be retained by Buyer. Seller shall, upon request of Buyer and without charge, execute such financing statements, security agreements, or other instruments as may be necessary to make Buyer’s title a matter of public record. Title to any such Buyer-furnished property which is procured or manufactured by Seller shall vest in Buyer upon the earlier (i) acquisition or location of manufacture by Seller or (ii) payment for the same by Buyer. Seller shall pay any and all property taxes imposed as a result of such Buyer-furnished property at Buyer’s sole expense. Seller shall assure Buyer that all Buyer-furnished property is free of defects in workmanship or material, will be merchantable, and will be fit for such purposes as are expressed in, or reasonably inferable from, the specifications, drawings, or other descriptions which are a part of this order for a period of thirty-six months after the date of delivery by Seller or twenty-seven months after such items are first put into service by Seller’s customer, whichever first occurs, unless otherwise stipulated in a supplementary agreement. The foregoing warranty is in addition to, and not in lieu of, any warranties of the Seller.

14. **Compliance with Laws.** Seller’s performance of work and all products to be delivered shall be in accordance with any and all applicable executive orders and federal, state, municipal, and local laws, ordinances, rules, orders, requirements, and regulations.

15. **Liability to Third Parties.** Seller shall be liable, to the extent of all property owned by, or under the ownership of, the Seller, and such property is used by or on behalf of the Seller in the performance of this order, including any and all liabilities for damage to property or injury to or death of persons including employees of Seller, arising from or incidental to the presence or use of Buyer-furnished property, whether such damage, injury, or death is caused by defects in the property, negligence in its use or otherwise.

16. **Indemnification.** The Seller shall indemnify Buyer against any and all liability for damage to property or injury to or death of persons including employees of Seller, arising from or incidental to the presence or use of Buyer-furnished property, whether such damage, injury, or death is caused by defects in the property, negligence in its use or otherwise.
17. Toxic Substances Control Act of 1976. Seller warrants that each and every chemical substance delivered under this order shall, at the time of sale, transfer or delivery, be on the list of chemical substances compiled and published by the Administrator of the Environmental Protection Agency pursuant to Section 8(b) of the Toxic Substances Control Act, (Public Law 94-469).

18. Subcontracts Under Government Contracts, Equal Employment Opportunity, and DBE Utilization. (a) When the products or services to be delivered or performed hereunder are for the purpose of enabling the Buyer to perform a government contract or subcontract thereunder, the Seller shall comply with all applicable provisions of Appendix C incorporated herein and made a part of this purchase order. (b) All subcontractors, vendors and suppliers are hereby notified that it is the policy of the Buyer to provide equal employment opportunity and to adhere to federal, state and local laws pertaining thereto. It is requested that appropriate action be taken on the part of all subcontractors, vendors and suppliers to insure adherence to such laws. Seller is expected to assist Buyer in meeting its commitment with regard to the maximum utilization of Disadvantaged Business Enterprises (DBE) if the value of this order exceeds $100,000.00. Seller agrees to insure that DBEs have every opportunity to compete for subcontract work as required to meet the terms and conditions of this order, and shall make good faith efforts to insure that subcontracts for supplies and services to be provided under this order, equal to at least 10% of the price of this order, are placed with Disadvantaged Businesses and Women-owned Business Enterprises.

19. Work on Buyer's Premises. When Seller will send its employees onto Buyer's premises during the performance of this order, the additional supplementary terms set forth in Appendix D shall be a part of this order, and provided upon request if insurance cover is requested.

20. General. This order shall be governed by, and construed according to the laws of the commonwealth of Pennsylvania, not including, however, its laws with respect to choice or conflicts of law. Any legal action commenced under or with respect to this order must be brought in the federal, state or local courts for the Commonwealth of Pennsylvania. Unless the contrary is specifically stated, all rights and remedies provided herein shall be in addition to, and not in place of, those provided by applicable law. The titles of the articles set forth above are for convenience only and shall not be applied to limit or restrict the meanings of the same.

21. Authority. Wherever the word "Buyer" appears in this order with respect to authorization for such items as (I) assignment; subcontracting (ii) substitutions; extra (iii) changes and (iv) termination; cancellation, the word is deemed to mean, and only mean, Buyer's Purchasing Department. No other person or department of Buyer is so authorized to act. Claims by Seller for adjustments, increases and increments to price for or added costs resulting from the foregoing items will not be allowed unless the said authorization shall have been duly granted in writing by Buyer's.

22. Availability. Seller agrees to make available to buyer at all times duplicate units of the product and any renewal, repair and/or replacement parts therefore at fair and reasonable prices, based on prices for similar or equivalent items provided to other customers, prevailing at the time of the purchase by Buyer. Should Seller become unable or unwilling to supply to Buyer said product, and/or renewal, repair or replacement parts at any time within twenty (20) years following completion of this order. Seller shall furnish to Buyer, on an "as is", royalty free basis, Seller's manufacturing drawings, information, and data to enable Buyer to manufacture or secure the items form alternative sources, but only for the equipment and/or systems previously supplied by Buyer which utilize said product and/or renewal, repair and replacement parts.

23. First Article Inspection. In the event that a First Article Inspection is a requirement of this order. DIPPIC-20-25-40-01260 applies and copies can be provided as needed.

24. Bombardier Transportation Verification. All production items on this purchase order require Bombardier Transportation verification utilizing one or more methods of inspection. The inspection methods are: source inspection at the supplier's facility, incoming inspection at our Bombardier Transportation facility, and inspection of supplied submitted information (information includes, but is not limited to, Certificate of Compliance, proof of supplier inspections, supplier and/or supplier parts certification, etc.). Each method assures all items on this purchase order fully comply with Bombardier Transportation requirements. Inspection methods are determined by, but not limited to, supplier capability, supplier performance, the criticality of the material or service, etc. if the supplier requests any questions or concerns regarding Bombardier Transportation inspections, or changes to the type of inspection by Bombardier Transportation, the supplier must address and coordinate with Bombardier Transportation buyer.

25. Bombardier Changing Delivery Requirements. The delivery schedule shown on this purchase order is a planned forecast. The forecasted delivery schedule is subject to change. Any changes to the forecasted delivery schedule will be communicated to the supplier by the Bombardier Transportation buyer. Confirmation of your receipt and acceptance to Bombardier communicated schedule changes must be received within 5 working days and acknowledged in writing to Bombardier Transportation Purchasing.

26. AIR FREIGHT IMPORTS - WHEN AUTHORIZED BY THE BUYER - Clause 90- AIR FREIGHT IMPORTS - Vendor to supply Commercial Invoices or Proforma Invoice indicating:

1. Material description and value of each item provided.  
2. Country or origin marked on product or shipping package.  
3. Harmonized Tariff Schedule Number (when known).  
4. Specify Shipping Terms & conditions in accordance with Incoterms 2010.  
5. Consignment based on the delivery address specified on the P.O.  
6. Commercial or Proforma invoice noting weights and dimensions  
7. Certificate of Origin

27. Ocean Freight Imports- WHEN AUTHORIZED BY THE BUYER – Clause 91- OCEAN FREIGHT IMPORTS -Vendor to supply Commercial Invoice or Proforma Invoice indicating:

1. Material description and value of each item provided.  
2. Country of origin marked on product or shipping package.  
3. Harmonized Tariff Schedule Number (when known).  
4. Specify shipping terms & conditions in accordance with Incoterms 2010.  
5. Consignment based on the delivery address specified on the P.O.  
6. Commercial or Proforma invoice noting weights and dimensions  
7. Certificate of Origin

28. New Ocean freight regulations Effective January 26, 2010. Effective January 26, 2010, there are new security regulations that must be followed for sea freight shipments entering a U.S. Port. Before material is loaded into a container at a foreign port, the importer of record (Bombardier) must file an ISF (Importer Security Filing) report with U.S. Customs. The report must contain the following information:

1) Manufacturer name and address  
2) Seller name and address  
3) Container stuffing location  
4) Consolidator name and address  
5) Buyer name and address  
6) Ship to name and address  
7) Importer of record number (I.R.S or customs assigned number)  
8) Consignee number (I.R.S, Number)  
9) Country of origin of the merchandise  
10) Harmonized tariff number  
11) Vessel Slow plan  
12) Container status messages

29. Delivery Instructions - General delivery information

A. All shipments less than 150 lbs, and being no longer than 119" must go by Fed Ex 2nd Day or Fed Ex International Economy only. Please reference your purchase order to locate Fed Ex billing information.

B. FedEx Waybills should include a reference to the Bombardier Purchase Order or WBS project number that you are shipping for.

C. For any shipment over 119" no matter the weight, DSV must be contacted to arrange shipment.

D. All domestic LTL shipments from 150 lbs to 6,000 lbs and less than 4’ of floor space with ABF. For pick up call your local ABF terminal or www.abfs.com.

E. For international shipments over 150 lbs, our freight forwarder DSV must be contacted at Bombardier-BTNA@us.dsv.com.

F. For all international shipments over 150 lbs no matter the weight, DSV must be contacted to arrange shipment.

G. THE BILL OF LADING MUST INCLUDE:
   a. A reference to the Bombardier Purchase Order or WBS project number that you are shipping for.
   b. Certificate of Origin
   c. Weights and Dimensions

And the following third-party billing information for the transportation charges:

Bombardier Transportation, c/o DSV Transportation Management, Attn: Freight Payment Department, PO Box 888815, Grand Rapids, MI 49588 USA

Transit time 2-3 business days: All shipments that require delivery sooner must have an STR (Special Transport Request) form authorized by a Bombardier Propulsion Manager and emailed back to Bombardier-BTNA@us.dsv.com for approval. STR forms will be provided on request.
H. All LTL shipments for Canada from 150 lbs to 8,000 lbs and less than 14' of floor space ship with ABF. For pick up call your local ABF terminal or www.abfs.com.

All Canadian shipments must be accompanied by the following documents:

a. Customs invoice (including the name of our Customs Broker: UPS-SCS)
b. Packing Slip
c. NAFTA Certificate if applicable
d. Bill of lading (including reference to the Bombardier purchase order or WBS project number, the name of our Customs Broker; UPS-SCS, and the following third party billing information for the transportation charges)

Bombardier Transportation, c/o DSV Transportation Management, Attn: Freight Payment Department, PO Box 888815, Grand Rapids, MI 49588 USA

I. Declared Value (Value for Carriage) should not be indicated on the bill of lading as an additional insurance premium will be charged to Bombardier by the carrier. Please contact DSV at Bombardier-BTNA@us.dsv.com, or your respective Bombardier buyer for instructions for high value shipments.

J. All dedicated truck load and flatbed shipments Bombardier-BTNA@us.dsv.com or call 616-968-5900. U.S. shipments will require delivery note/packing slip and Bill of Lading with the billing information referenced above. Canadian truck load and flat beds see required paperwork referenced in C above.

K. When booking any shipment with DSV make sure you have the paperwork that was referenced above along with the following information:

a. Number and type of packages
d. When the freight is available for pickup
e. Address and business hours of pick up location
f. Contact person and phone at pick up location
g. Address and business hours of delivery location
h. Contact person and phone at delivery location

L. For Dangerous Goods Shipments, the Material Safety Data Sheets (MSDS) must be provided at all times, along with the Hazmat Bill of lading for ground shipments, International Maritime Organization Bill of Lading for ocean shipments or International Air Transport Association Airway Bill for air shipments. Please note that shipments from Bombardier Pittsburgh are sent to Craters Inc. which is our Dangerous Goods Packaging Center in the Pittsburgh area. (Contact Bombardier-BTNA@us.dsv.com for more detailed information if needed.)

M. The above DSV email address (Bombardier-BTNA@us.dsv.com) is to be used concerning requests for US/Canada shipments. Requests for Mexico shipments should be addressed to: Bombardier-BTM@us.dsv.com

Please note that the delivery dates on Bombardier purchase orders are dates due at Bombardier Dock. Please make shipping arrangements for parts to arrive on time***

30. Parts Marking. Parts supplied under this purchase order must be marked in accordance with the requirements of the Bombardier Transportation Parts Marking Policy 3A6313. A copy of this document will be furnished upon request. (Note some items are exempt from this policy. See the policy for the exemptions.)

31. HSE and Suppliers. All suppliers must adhere to Bombardier Occupational Health, Safety and Environmental Roles as outlined in Bombardier Group document GRP-10-05-05-000174. The purpose of this document is to define the Health, Safety and Environment roles and responsibilities of the departments in Bombardier Transportation. This document is a guideline to define the structure and responsibilities of the sites and to assist the coordinator HSE to establish and adequate management system according to OHSAS 18001 and ISO 14001 or similar industrial standards. Copies can be provided upon request.

32. Propulsion & Controls, IPPC Wood Requirements. All solid wood skids and solid wood packaging must be heat treated and compliant with IPPC (International Plant Protection Convention). Unaffected by the IPPC rules are processed wood packaging materials such as plywood, particleboard, oriented strand board, and veneer, which have been created by using glue, heat, and pressure. Any shipment packaged with wood, imported or exported on behalf of Bombardier Transportation Propulsion will meet IPPC Wood Requirements. Internationally recognized IPPC markings must be visible on all skids or crates. The specific markings can be found in the IPPC Regulations. ** The IPPC markings must be shown twice on each pallet or crate.

33. Returned/Repaired Materials - For all materials returned to Supplier for repair/evaluation, Bombardier Transportation Propulsion requires that a Failure Analysis must be performed and returned to us. At a minimum, the Failure Analysis shall identify any inspections and tests conducted, what specific component or subassembly failed, what was done to repair or replace the material, and any conclusions as to the cause of the failure. A Failure Analysis Report must be submitted for each item, even if "no fault found" is the conclusion of the analysis. For recurrent and/or systemic failures, Bombardier Transportation Propulsion will require the supplier to submit a root cause and corrective/preventive action analysis report.