BOMBARDIER, THE SUPPLIER SHALL BEAR THE COST OF INSPECTION AND TRANSPORTATION OF SAID GOODS, IF REQUESTED BY BOMBARDIER, TO HIS FACILITIES. BOMBARDIER RESERVES THE RIGHT TO MAKE REPAIRS ON DEFECTIVE MATERIAL AND TO CHARGE THE SUPPLIER FOR THE WORK PERFORMED, TO CLAIM FROM BOMBARDIER ANY PRICE INCREASE OR DELAY RESULTING DIRECTLY OR INDIRECTLY FROM THE CHANGE REQUEST.

5. IMPOSSIBILITY TO PROCEED TO SUCH CHANGE REQUEST. IN ABSENCE OF THE NOTIFICATION REQUIRED HEREIN, THE SUPPLIER RENOUNCES EXPRESSLY (IMSS) FOR MEXICO) HAVE BEEN PAID AND, THE SUPPLIER SHALL AT ALL TIMES PAY OR CAUSE TO BE PAID ANY ASSESSMENTS OR COMPENSATION LIABILITIES ARISING FROM THE TRADE OR DELIVERY OF ANY GOODS, TO THE SUPPLIER FROM ANY OTHER OBLIGATIONS UNDER SECTION 3 OF THE PRESENT TERMS AND CONDITIONS. IF THE GOODS OR ANY PART THEREOF ARE CONSIDERED TO BE DEFECTIVE BY BOMBARDIER, AT ITS OPTION, MAY REPAIR OR REPLACE SUCH DEFECTIVE GOODS OR PART THEREOF AND CHARGE IT TO THE SUPPLIER. ANY WARRANTY EXPRESSLY CONTAINED IN THIS ORDER OR IN ANY SPECIAL ATTACHMENT THERETO WILL NOT LIMIT THE APPLICATION OF ANY IMPLIED WARRANTIES, CONDITIONS OR REGULATIONS.

6. THE SUPPLIER SHALL BE SOLELY RESPONSIBLE FOR AND WILL FURTHER DEFEND AND INDEMNIFY BOMBARDIER, UPON DEMAND, FROM AND AGAINST ALL CLAIMS, ACTIONS, LIABILITIES, LOSSES AND EXPENSES (INCLUDING INVESTIGATION EXPENSES AND ATTORNEY FEES INURED IN LITIGATION OR CAUSED BY THE THREAT OF LITIGATION), ARISING OR ALLEGED TO ARISE FROM ACTS OR OMISSIONS OF THE SUPPLIER OR FROM DEFECTS OR ALLEGED DEFECTS, WHETHER LATENT OR PATENT, IN THE GOODS OR WORKMANSHIP ON THE GOODS OR DEFECTIVE DESIGN OF THE GOODS PURCHASED BY BOMBARDIER FROM THE SUPPLIER.

7. ALL GOODS SUPPLIED UNDER THIS ORDER ARE SUBJECT TO INSPECTION AND ACCEPTANCE BY BOMBARDIER, ITS AGENTS OR ITS CLIENTS AT ORIGIN AND DESTINATION. ANY INSPECTION AND/OR ACCEPTANCE BY BOMBARDIER, ITS AGENTS OR ITS CLIENTS SHALL NOT RELEASE THE SUPPLIER FROM ITS OBLIGATIONS CONTAINED IN THIS ORDER OR IN ANY SPECIAL ATTACHMENT THERETO. IF THE GOODS OR ANY PART THEREOF IS CONSIDERED TO BE DEFECTIVE BY BOMBARDIER, THE SUPPLIER SHALL BEAR THE COST OF INSPECTION AND TRANSPORTATION OF SAID GOODS, IF REQUESTED BY BOMBARDIER, TO HIS FACILITIES. BOMBARDIER RESERVES THE RIGHT TO MAKE REPAIRS ON DEFECTIVE MATERIAL AND TO CHARGE THE SUPPLIER FOR THE WORK PERFORMED, BASED ON BOMBARDIER'S ANNUAL CHARGE BACK RATE APPLICABLE AT THE TIME OF THE REPAIRS. SUCH SUM SHALL BECOME DUE AND PAYABLE TO THE SUPPLIER WITHIN (30) DAYS OF NOTIFICATION FROM BOMBARDIER. THE SUPPLIER OR SUCH SUM MAY BE DEDUCTED FROM MONIES DUE OR TO BECOME DUE TO THE SUPPLIER BY BOMBARDIER. DURING THE WARRANTY PERIOD, IF THE GOODS OR ANY PART OF THE GOODS ARE FOUND TO BE DEFECTIVE OR FAIL TO MEET THESE ORDER REQUIREMENTS, THE SUPPLIER SHALL, AT HIS OWN EXPENSE, REPLACE AT THE DELIVERY POINT ANY SUCH GOODS OR PART THEREOF. BOMBARDIER, AT ITS OPTION, MAY REPAIR OR REPLACE SUCH DEFECTIVE GOODS OR PART THEREOF AND CHARGE IT TO THE SUPPLIER. ANY WARRANTY EXPRESSLY CONTAINED IN THIS ORDER OR IN ANY SPECIAL ATTACHMENT THERETO WILL NOT LIMIT THE APPLICATION OF ANY IMPLIED WARRANTIES, CONDITIONS OR REGULATIONS.

8. THE SUPPLIER SHALL PROVIDE TO BOMBARDIER, IN A FORM ACCEPTABLE TO BOMBARDIER (I.E. CERTIFICATES OF INSURANCE AND/OR LETTERS OF GOOD STANDING OF THE SUPPLIER, ARE THE PROPERTY OF BOMBARDIER AND SHALL BE DELIVERED TO BOMBARDIER UPON REQUEST. ALL DRAWINGS, SPECIFICATIONS, TEMPLATES, SAMPLES OR SIMILAR ITEMS ISSUED BY BOMBARDIER TO THE SUPPLIER FOR THE PURPOSE OF THIS ORDER SHALL BE RETURNED TO BOMBARDIER UPON COMPLETION OR TERMINATION OF THE ORDER. THIS ORDER AND ALL DRAWINGS, SPECIFICATIONS AND ALL INFORMATION ISSUED, ARE THE CONFIDENTIAL PROPERTY OF BOMBARDIER, FOR AND AFTER THE DURATION OF THIS ORDER, THE SUPPLIER WILL KEEP PRIVATE SUCH INFORMATION, DRAWINGS AND SPECIFICATIONS AND WILL NOT TRANSMIT THEM TO ANY THIRD PARTY WITHOUT BOMBARDIER'S PRIOR APPROVAL. THE SUPPLIER SHALL NOT USE THE DRAWINGS, SPECIFICATIONS AND INFORMATION FOR ANY PURPOSE OTHER THAN THIS ORDER WITHOUT THE PRIOR WRITTEN APPROVAL OF BOMBARDIER. THE SUPPLIER SHALL PRESERVE IN GOOD CONDITION ALL SUCH TECHNICAL DATA AND RETURN THE SAME TO BOMBARDIER PROMPTLY UPON DEMAND, AND, IN ANY EVENT, UPON COMPLETION OR TERMINATION OF THE ORDER.

9. THE SUPPLIER SHALL OBTAIN, AT ITS EXPENSE, COMPREHENSIVE GENERAL LIABILITY INSURANCE, INCLUDING CONTRACTUAL LIABILITY AND PRODUCTS LIABILITY COVERING THE SUPPLIER'S PREMISES AND OPERATIONS; SUCH CONTRACTUAL LIABILITY AND PRODUCTS LIABILITY POLICIES SHALL BE ISSUED IN THE RESPECTIVE AMOUNTS OF US $5,000,000 BODILY INJURY AND US $5,000,000 PROPERTY DAMAGE, SUCH POLICIES SHALL BE ISSUED BY A COMPANY OR COMPANIES SATISFACTORY TO BOMBARDIER. THE SUPPLIER SHALL FURNISH BOMBARDIER WITH A CERTIFICATE OF INSURANCE CERTIFYING THE EXISTENCE OF THE AFORESAID INSURANCE. ALL SUCH POLICIES AND THE CERTIFICATE OF INSURANCE SHALL PROVIDE THAT COVERAGE THEREUNDER SHALL NOT BE TERMINATED OR CHANGED WITHOUT A MINIMUM OF THIRTY (30) DAYS PRIOR WRITTEN NOTICE TO BOMBARDIER. FURTHER, THE SUPPLIER HEREBY DECLARES AND WARRANTS THAT ALL ASSESSMENTS OR COMPENSATION PAYABLE TO THE WORKERS' COMPENSTION BOARD (OR THE COMMISSION DE LA SANTE ET DE LA SECURITE DU TRAVAIL (CST) FOR THE PROVINCE OF QUEBEC OR THE INSTITUTO MEXICANO DEL SEGURO SOCIAL (IMSS) FOR MEXICO) HAVE BEEN PAID AND, THE SUPPLIER SHALL AT ALL TIMES PAY OR CAUSE TO BE PAID ANY ASSESSMENTS OR COMPENSATION REQUIRED TO BE PAID PURSUANT TO ANY APPLICABLE WORKERS' COMPENSATION ACT (ACT RESPECTING OCCUPATIONAL HEALTH AND SAFETY FOR THE PROVINCE OF QUEBEC OR THE FEDERAL DE LA TRAVAIL AND ANY OTHER LEGISLATION IN MEXICO). PRIOR TO PERFORMING ANY WORK, THE SUPPLIER SHALL FURNISH BOMBARDIER, IN A FORM SATISFACTORY TO BOMBARDIER (I.E. CERTIFICATES OF INSURANCE AND/OR LETTERS OF GOOD STANDING AND/OR OTHER DOCUMENTS), SUFFICIENT PROOF THAT IT IS IN COMPLIANCE WITH THE REQUIREMENTS OF THE PREVIOUS SENTENCE.

10. THE SUPPLIER AGREES AT ANY TIME THAT THE GOODS THAT FORM THE PRESENT ORDER SHALL BE MARKED IN SUCH A WAY AS TO BE READILY RECOGNIZABLE AS THE SUPPLIER'S PRODUCT AND/OR BOMBARDIER'S PRODUCT.

11. THE SUPPLIER SHALL, UPON BOMBARDIER'S REQUEST, SUBMIT A COPY OF THEIR BILL OF LADING AND/OR SHIPMENT AND DELIVERY OF THE GOODS AND ALL WORK AND OPERATIONS HEREIN FOR SUCH PERIOD AS BOMBARDIER MAY REQUEST AND AT NO ADDITIONAL COST TO BOMBARDIER.
13. The supplier agrees to notify Bombardier, in writing, as soon as known and, if possible, before the beginning of the delay, of any order or services or events in the nature of force majeure or other causes reasonably beyond the control of the supplier, which may delay deliveries as specified. If the nature of the force majeure shall delay the delivery of the goods, Bombardier can extend the delivery period of the delayed goods by a period of time equal to the delay so caused (as evaluated by Bombardier), provided that the supplier gave the above mentioned notice to Bombardier.

14. Bombardier shall have the opportunity to adjust the total and final quantity of its order without incurring a penalty. The supplier agrees to hold Bombardier, its client and Bombardier's successors in title to said goods harmless against any and all liabilities, losses and expenses, including without limitation legal fees, by reason of any claim, action, or litigation arising out of any alleged or actual infringement of any patent, copyright, trademark or industrial design, foreign or domestic, resulting from use of or resulting from the goods purchased or any part thereof furnished under this order. The supplier guarantees that the goods furnished under this order can be used continuously during the course of any such proceeding.

15. Bombardier may, at any time, upon notification to the supplier, reduce the quantities of the goods to be delivered or terminate this order for all or any part or parts of the work not yet performed. Upon such notification, the supplier shall cease work (including the manufacturing and/or procuring of goods for the fulfillment of this order) in accordance with and to the extent specified in such notice. Only the work completed by the supplier hereunder in accordance with the schedule provided with this order and up to thirty (30) days following issuance of such notice to supplier, provided that such goods or works cannot be utilized, used or sold to other customers, and all work completed thereafter, not terminated by such notice, shall be paid for (subject to acceptance by Bombardier in accordance with the provisions of this order) and delivered to Bombardier on the basis provided in this order. Unless specifically terminated by Bombardier, the supplier shall remain liable for the warranty obligations included or referred to in this purchase order with relation to the goods or part of the goods or works completed. The supplier shall have no claim for damage, compensation, loss of profit, allowance or otherwise directly or indirectly arising out of any act or omission by Bombardier under or pursuant to the provisions of this clause except as to the extent expressly provided for by this clause.

16. If the supplier becomes insolvent, bankrupt, commits repudiation of the purchase order or breaches any provisions of this purchase order, Bombardier may terminate the purchase order by written notice to the supplier. The supplier shall cease all works and be entitled to take the benefit of any ready carriers out or any goods completed, partially or completely, by the supplier. If requested by Bombardier, the supplier shall deliver, at no cost to Bombardier, and within the time specified by Bombardier, all works and goods not delivered. The supplier shall indemnify Bombardier for all damages and any cost incurred by Bombardier due to the default. The supplier shall remain liable for the warranty obligations included or referred to in this purchase order with relation to the goods or part of the goods or works completed. The supplier will also continue performing the portion(s) of work and providing goods not terminated by the written notification.

17. Goods shipped in excess of specified quantities may be returned to the supplier at the supplier's expense.

18. This order may not be transferred, assigned or sublet without the express prior written consent of Bombardier, and it is agreed that notwithstanding the above written consent from Bombardier, supplier shall remain fully responsible for the work and performance of any such subcontractor or assignee. Any transfer, assignment or sublease made without express Bomardi approval will be deemed null and void.

19. Any agreement or other understanding in any way changing or adding to the terms or conditions expressed herein shall be binding upon Bombardier, or confer any rights on the supplier unless in writing and appearing on the face of this order or attached hereto and by reference herein made a part hereof. Any such agreement or understanding shall be signed and approved by a representative of the procurement department of Bombardier. In the event of conflict or inconsistency between these terms and conditions and others appearing on the face of this order or attached hereto, the latter shall take precedence.

20. The supplier shall be liable for loss and additional charge if delivery of the goods is delayed beyond the schedule provided under this purchase order.

21. In addition to the rights of Bombardier described in this purchase order, if the goods or services are not received or performed in accordance with the purchase order requirements, the supplier has the right to charge back to the supplier (or third party) the standard disruption fee per each non-compliant good or service at Bombardier's annual disruption rate applicable at the time such compliance occurs. Furthermore, if any work is performed by Bombardier on the goods in relation with the services to ensure compliance with the purchase order requirements, such work shall be charged back to the supplier at Bombardier's annual charge applicable at the time such work is performed. The total sum shall become due and payable by the supplier within fifteen (15) days of notification from Bombardier to the supplier or such sum may be deducted from monies due or to become due to the supplier by Bombardier.

22. The supplier shall advise Bombardier, in writing, of the ending date of production of the goods at least ninety (90) days prior to such termination. If the supplier undertakes to deliver to Bombardier, at the origin point, all goods free and clear of any privileges or liens held by third parties, and hereby renounces to all privileges and liens in favor of Bombardier.

23. In the event of non-payment by Bombardier within the agreed due date, the supplier may charge interest at the rate specified in the purchase order and may exercise all related rights and remedies available under applicable law.

24. The supplier agrees to notify Bombardier of any changes in the name or ownership of the supplier, and to provide Bombardier with written notice of such changes within thirty (30) days of the occurrence of such changes.

25. The supplier agrees to hold Bombardier and its successors in title to said goods harmless against any and all liabilities, losses and expenses, including without limitation legal fees, by reason of any claim, action, or litigation arising out of any alleged or actual infringement of any patent, copyright, trademark or industrial design, foreign or domestic, resulting from use of or resulting from the goods purchased or any part thereof furnished under this order. The supplier guarantees that the goods furnished under this order can be used continuously during the course of any such proceeding.

26. The supplier shall comply with all applicable federal, state, provincial, municipal and local laws and regulations and more particularly environmental laws and regulations.

27. In all events, the supplier shall continue to perform its work unless Bombardier notifies the supplier to stop or suspend performing the work. Accordingly, pending preliminary or final resolution of any dispute, through settlement between the parties.
OR JUDGMENT FROM A COURT, THE SUPPLIER SHALL PROCEED DILIGENTLY WITH THE PERFORMANCE OF THIS PURCHASE ORDER.

28. STARTING SEPTEMBER 1ST, 2009, THE PRESENT TERMS AND CONDITIONS SHALL APPLY TO ALL PURCHASE ORDERS AND/OR REVISED PURCHASE ORDERS. HOWEVER, THE GOODS ORDERED BY BOMBARDIER UNDER THE PAST TERMS AND CONDITIONS ATTACHED TO PURCHASE ORDERS (TC 9999) SHALL REMAIN GOVERNED BY THESE PAST TERMS AND CONDITIONS.

29. IF THE SUPPLIER AND BOMBARDIER HAVE EXECUTED, PRIOR TO THE ISSUANCE OF THIS PURCHASE ORDER, BOTH GENERAL TERMS AND CONDITIONS (GTC) AND SPECIFIC TERMS AND CONDITIONS (STC) FOR THE GOODS SPECIFIED UNDER THE PRESENT PURCHASE ORDER, THE TERMS AND CONDITIONS OF THIS PURCHASE ORDER (TC 9998) SHALL NOT BE APPLICABLE BETWEEN THE SUPPLIER AND BOMBARDIER.


32. DISRUPTION FEE

THE BOMBARDIER'S STANDARD DISRUPTION RATE FOR:

<table>
<thead>
<tr>
<th>Year</th>
<th>USD</th>
<th>CAD</th>
<th>MEXICAN PESOS</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>166$</td>
<td>165$</td>
<td>2050 MEXICAN PESOS</td>
</tr>
<tr>
<td>2014-2015</td>
<td>166$</td>
<td>165$</td>
<td>2050 MEXICAN PESOS</td>
</tr>
<tr>
<td>2013</td>
<td>162$</td>
<td>161$</td>
<td>2000 MEXICAN PESOS</td>
</tr>
</tbody>
</table>