WESTINGHOUSE ELECTRIC GERMANY GMBH

General Purchase Order Terms and Conditions

As of: May 2015

Article 1 – Purchase Order, Purchase Agreement and Order Confirmation

1.1 The Purchase Order (hereinafter referred to as "Purchase Order") including the attachments thereof and these General Purchase Order Terms and Conditions (hereinafter referred to as "Purchase Order Conditions") constitute the Purchase Agreement (hereinafter referred to as "Purchase Agreement") between Westinghouse Electric Germany GmbH (hereinafter referred to as "Westinghouse" and/or "Principal") and the supplier identified in the Purchase Order (hereinafter referred to as the "Seller").

These Order Conditions shall apply to all Purchase Orders of Material and Services by Westinghouse from the Seller pursuant to the provisions and stipulations in Article 2 of these Purchase Order Conditions.

These Purchase Order Conditions can be accessed by the Seller on https://supply.westinghousenuclear.com, or the Seller may request them in writing from Westinghouse Supply Chain Management, Mannheim, Dudenstr. 6, if the Seller does not have these Purchase Order Conditions already.

1.2 In the event of any conflict between the Purchase Agreement and any other document or instrument submitted by the Seller, the Purchase Agreement shall govern. The Seller must reject Purchase Orders within three days of receipt or the Purchase Agreement will be deemed accepted by the Seller.

1.3 Westinghouse expressly restricts the acceptance of the Purchase Agreement to the terms and conditions stated in the Purchase Agreement. Any additional, different, or inconsistent terms or conditions contained in any form, acknowledgement, acceptance, or confirmation used by the Seller in connection with the implementation of the Purchase Order are generally objected to and rejected by Westinghouse. In particular, this shall apply to the general terms and conditions of the Seller, unless these agree with the conditions of the Purchase Agreement or Westinghouse has agreed to them in writing. The acceptance of deliveries or services as well as payments does not represent an agreement by Westinghouse with the Seller.

1.4 If for any reason the Purchase Agreement is construed as an acceptance of Seller’s offer, such acceptance is expressly conditioned on Seller’s assent to any different, conflicting or additional terms, express or implied, in the Purchase Agreement.

1.5 Purchase Orders, contractual agreements and other arrangements in connection with the Purchase Agreement shall only be valid with two signatures by authorized representatives of Westinghouse's purchasing department (hereinafter also referred to as "Supply Chain Management" or "SCM"). At least one signature has to contain "i.V." (by proxy). Purchase Orders may also be issued and transacted by purchase service providers authorized by Westinghouse without the necessity of subsidiary arrangements hereto.

Article 2 – Definitions, Terms

For purposes of the Purchase Agreement, the following defined terms (hereinafter referred to as "Definitions") have the meanings given below, except where the context clearly indicates a different meaning is intended. These Definitions may be supplemented by any definitions contained elsewhere in these Terms and Conditions or in any of the documents incorporated by reference in the Purchase Agreement, but in case of any conflict or inconsistencies, the Definitions set forth below will prevail.
"Change Notice" means the written and signed document, issued by Westinghouse to Seller to make changes to, additions to and/or reductions/cancellations of the Purchase Agreement. This may include technical, commercial or general contractual changes or amendments. Additionally, the provisions in Clause 1.2 of these Purchase Order Conditions shall apply. "Services" means all services that are performed by Seller as described in the Scope of Work, including, as applicable, support for installation, maintenance, repair, commissioning and testing of the Materials, training, consulting, and any other services necessary to fulfil Seller’s services obligations under the agreed Scope of Work.

"Documentation" means all information, data, drawings, studies, reports, examinations, samples, recordings, forms, user guides, operation manuals, analyses, procedures, specifications, plans. Software, programming and any other documentation, including any performed work, transports, packagings, storage, samples, drawings, development activities, engineering work, procurements and licenses for intangible assets and for rights necessary in this regard, which are produced or acquired by Seller for or upon Westinghouse's instructions and which are specified in the Purchase Order as items to be delivered (required samples).

"Third Party" or "Third Parties" means a party or parties other than Westinghouse and Seller.

"Receiving Party" means the Party receiving information or documents from the other Party which have been marked or declared as confidential.

"Production-accompanying Inspections" are production-accompanying in-process and final inspections which are scheduled by Westinghouse, Westinghouse's customer, competent official experts or their respective representatives and are conducted by Westinghouse, Westinghouse’s customer, experts or their respective representatives. The inspections and all related advance performances are free of charge for Westinghouse and are fully paid for with the purchase price.

"Confidential Information" is/are content and/or provisions of the Purchase Agreement as well as all information and documents marked and/or declared as confidential and/or proprietary information by the disclosing Party. This also includes data, software, matters or things of a secret, proprietary, confidential or private nature relating to the business of the Disclosing Party, including matters of a technical nature (such as source code, program parts, know-how, processes, data and techniques), matters of a business nature (such as information about schedules, costs, profits, markets, sales, customers, the Parties’ contractual dealings with each other and the Work that is the subject-matter thereof), matters of a proprietary nature (such as information about patents, patent applications, copyrights, trade secrets and trademarks), other information of a similar nature, and any other information which has been derived from the foregoing information by the Receiving Party. These provisions shall apply to the extent that this Confidential Information is not already generally known to the Receiving Party or has become known to it in another lawful manner. Without written consent of the respective other Party, this information may not be passed on and/or made available to third parties.

"Purchase Price" means the compensation to be paid by Westinghouse to Seller for Seller’s performance of the Work as specified in the Purchase Agreement and as may be modified from time to time by the issuance of a Change Notice.

"Material" means facilities, systems, materials, components, equipment, computer hardware and related software and firmware, devices, incidentals, consumables, supplies and utilities or other items of any kind which are described in the Purchase Agreement and/or which are necessary materials for the performance of the Work, including all labor, manufacturing, transportation, packaging, storage, samples, drawings, design and development activities, engineering, purchasing required therefor and required user licenses and rights of use for intangible assets and software products.

“NRC” means the U.S. Nuclear Regulatory Commission and its staff.
“Disclosing Party” means the Party disclosing Confidential Information of documents to the other Party.

"Party" and "Parties" means Westinghouse and Seller referred to individually and collectively in the Purchase Agreement, as the case may be.

"Quality Assurance Program" means a documented program which includes the following activities to the extent that it is applicable to the Work: Design, procurement, production, installation, testing and examining of the Work in accordance with its nuclear safety or quality classification and in compliance with the requirements of Article 18 - Audit, In-process and Final Inspections and Quality Assurance.

"Lien" means a lien, mortgage, pledge, encumbrance, charge, security interest, option, right of first refusal, other defect in title or other restriction of any kind or nature.

"Subcontractor" (hereinafter also referred to as "Sub-Supplier") means one of Seller’s suppliers or a supplier in the upstream supply chain of Seller (Tier 1-x) performing or providing a portion of the Work under any contract, purchase order or other writing between Seller and any Subcontractor of any tier, pursuant to which the Subcontractor performs or provides a portion of the Work.

"Day" means a calendar Day and includes Saturdays, Sundays and statutory holidays in Baden-Württemberg, Germany.

"Working Day" means a calendar Day excluding Saturdays, Sundays and statutory holidays in Baden-Württemberg, Germany.

“Work” (hereinafter also referred to as "Scope of Work") means all deliveries and services, including Material, Services and Documentation supplied by Seller under the Purchase Agreement. This also includes Seller’s deliveries and services which are required for the complete operational capability of the Work but are not explicitly specified in the Purchase Agreement.

"Validity Date" means the date which is stated on the signature page of the Purchase Order and at which date the Purchase Agreement becomes effective.

**Article 3 – Order Authorization and Communication Rules**

3.1 Seller acknowledges that only authorized employees of the purchasing department of Westinghouse Electric Germany GmbH or purchasing service providers authorized by Westinghouse are entitled to issue Purchase Orders to Seller or to conclude agreements on behalf of Westinghouse. Generally, Purchase Orders and contractual agreements shall only be valid in written form.

3.2 Any correspondence related to the Purchase Agreement shall be addressed to the staff member stated in the Purchase Order in the Purchase Agreement of Westinghouse’s purchasing department or to the purchasing service provider authorized by Westinghouse. Seller is only permitted to communicate directly with Westinghouse’s Engineering or Quality Assurance personnel on technical or quality matters. Binding agreements from this communication regarding technical and quality matters shall only be effective for Westinghouse and Seller, if such agreements have been made by way of a written Change Notice between the Parties. The provisions in Article 3.1 shall also apply mutatis mutandis.

**Article 4 – Subcontracting and Standard Operating Procedures as well as Statutory Provisions which also apply**

Seller shall not subcontract any portion of the Work to subcontractors without prior written approval from Westinghouse. The relevant Standard Operating Procedures and statutory provisions shall be complied with by Seller and the Subcontractors used by it. In addition, the provisions for dealing with Confidential Information shall be complied with and appropriate confidentiality agreements with the respective Subcontractors shall be concluded.
Article 5 – Inspections and Acceptance of the Work

5.1 All contractual products and services in the production process (including Work which is provided by Subcontractors) may be subject to Production-accompanying Inspections which are scheduled by Westinghouse, Westinghouse’s customer, competent official experts or their respective representatives and are conducted by Westinghouse, Westinghouse’s customer, experts or their respective representatives. To the extent that Production-accompanying Inspections take place at the production site of Seller (or Subcontractor), Seller shall provide facilities and assistance required for the safe and expedient Production-accompanying Inspection. Seller shall grant Westinghouse and Westinghouse’s customer, the experts or their representatives appropriate access to the plant, the production and testing facilities and records of Seller and its Subcontractors for inspections and acceptance free of charge. Seller, at its own cost, shall immediately rectify all non-conforming Work provided and remedy any faults/defects found. This shall also apply in the case of Subcontractors assigned by Seller.

5.2 No inspection or acceptance performed or failed to be performed by Westinghouse under the Purchase Agreement shall be deemed to constitute a waiver of any of Seller’s obligations under the Purchase Agreement or be construed as a final approval or acceptance of the Work. An inspection or acceptance shall not preclude any claims due to latent defects.

Article 6 – Invoices, Payments

6.1 Invoices shall specify the purchase order indicators (order number) as well as the number of each order item. Westinghouse may specify additional required information in the Purchase Agreement. As long as this information is missing, invoices are not verifiable and, therefore, also not payable. Copies of invoices shall be marked as copies.

6.2 Payments shall be due and payable, net, within 45 Days, unless otherwise agreed in the Purchase Agreement. The payment period commences as soon as the delivery or service has been provided in full, any defects found have been remedied and the correctly issued invoice has been received at Westinghouse’s billing address stated in the Purchase Order and in the form agreed in the Purchase Agreement.

6.3 Should Seller have to provide material tests, inspection protocols, quality documents or other documentation, the completeness of the delivery and service is also subject to the receipt of such documents.

6.4 Payments shall not be construed as Westinghouse acknowledging the deliveries or services as provided according to contract.

Article 7 - Taxes (Verification by KR required regarding German regulations)

The Purchase Price agreed between the Parties does not include any VAT or other taxes. If Seller is registered in the Federal Republic of Germany and/or in the country of delivery and is obliged to pay applicable local VAT or other taxes, Seller shall do so in addition to the Purchase Price, unless Westinghouse has been provided with an exception or exemption certificate. All other taxes which are imposed before the delivery to the destination shall be at Seller’s expense and on Seller’s account.
Article 8 – Amendments to the Agreement, Change Notices

8.1 Unless agreed in writing with Westinghouse in advance, pursuant to the provisions in Article 3 of these Purchase Order Conditions, the Purchase Agreement may not be unilaterally changed, amended or terminated by Seller.

8.2 Westinghouse may make changes to the Work by written Change Notice, and Seller shall promptly comply with such Change Notice. Should the Change Notice have significant effects on or significantly affect the costs or time Seller needs for the performance, Seller shall inform Westinghouse within 10 Working Days and provide a supplementary offer. On the basis of the supplementary offer, the Parties shall try to adjust the provisions of the Purchasing Agreement in writing accordingly. Seller must assert any claim for adjustment as promptly as possible, but in no event more than 30 Days after receipt of any such Change Notice. Seller shall, at Westinghouse’s direction, proceed with the change(s) pending resolution of any dispute and Seller’s failure to proceed as directed shall be deemed to be a material breach of the Purchase Agreement.

Article 9 - Deadlines, Delays, Default Provisions

9.1 The Parties agree that several contract deadlines (final and intermediate deadlines) or schedules set in the Purchase Agreement constitute an integral part of the Purchase Agreement and that Westinghouse would not have concluded the agreement, if Seller had not agreed to comply with the deadlines specified in the Purchase Agreement or confirmed in the Order Confirmation. Any change to deadlines agreed in the Purchase Agreement may only be implemented by way of a Change Notice pursuant to Article 8 and a signed written agreement which has been executed by an authorized representative of each Party. This provision shall also apply to interim deadlines and milestones that may have been agreed.

9.2 In the event of foreseeable delays of a delivery or service or subsequent performance, Westinghouse shall be informed immediately by Seller and a decision shall be obtained from Westinghouse.

9.2 Unless otherwise stated in the Purchase Order and provided that Seller is in default, for each Working Day or part of a Working Day of the delay and until the final completion of the respective milestone, Principal shall be entitled to charge a contractual penalty in the amount of 0.5%, however, only to a maximum of 5% of the total contract amount. Should the respective reservation be omitted on acceptance of deliveries, services or subsequent performance, the contractual penalty may still be asserted, provided the reservation is declared before the final payment. The penalties apply without prejudice to Westinghouse’ right to claim the additional damage possibly suffered and to exercise any other right (including termination) under the Purchase Agreement or the applicable laws.

Article 10 - Liability for Defects

10.1 Liability for Defects in Material (Hardware).

(a) Seller warrants that the Materials furnished by it under the Purchase Agreement (i) shall be free from defects in design, workmanship, composition and materials; (ii) shall conform to and be of the kind and quality described in the Purchase Agreement and the plans and specifications; (iii) shall perform in the manner specified; and (iv) shall comply with all requirements of the Purchase Agreement.

(b) Such warranty shall apply for 24 months from the date the Work is placed in service by Westinghouse or four years after acceptance by Westinghouse, whichever first occurs. In accordance with Westinghouse's instruction, Seller shall remedy any defects at Seller's own expense by immediately: (i) repairing or replacing the Work (and correcting any plans, specifications or
drawings thereby affected) in a timely manner; (ii) furnishing to Westinghouse any materials, parts
and instructions necessary to enable Westinghouse or its customer to remedy or have remedied the
nonconformity, or (iii) refunding the Purchase Price, or a portion thereof, to Westinghouse.

(c) The warranty for parts repaired or replaced in the course of the remedying of defects
by Seller shall commence anew with the repair or replacement and shall last for one year from the
time of the repair or replacement or as described in paragraphs (a) and (b) above, whichever first
occurs.

10.2 Liability for Defects in Services Provided.

(a) Seller warrants that Services provided by it under the Purchase Agreement (i) shall
reflect the highest standards of proper execution, (ii) shall be free from defects in workmanship, and
(iii) shall be in compliance with all requirements of the Purchase Agreement, until 24 months from
the completion of such Services.

(b) Seller shall rectify defective Services at Seller's own expense, as directed by
Westinghouse, by immediately: (i) re-performing the non-conforming Services, or (ii) refunding the
Purchase Price or an appropriate portion thereof to Westinghouse.

(c) The liability for defects, with respect to any corrected Services, shall be extended to
one year from the date of re-performance of the Service or as stated in paragraphs (a) and (b) above,
whichever occurs later.

10.3 Obligation to Observe National and International Compliance Regulations and Laws by Seller

(a) Seller represents to Westinghouse that:

(i) Seller has obtained and will maintain any permits, rights of use, licenses,
registrations or other governmental approvals, including required export licenses or other
approvals to meet the delivery obligations specified herein, which are required for its
performance under the Purchase Agreement. Seller shall comply with all such permits and
with all applicable executive orders and federal, state, municipal and local laws of the
location in which the Materials are produced or Services performed as well as all rules,
orders, requirements and regulations existing or passed thereunder;

(ii) Seller and its Subcontractors shall comply with all applicable laws, codes and
standards; and

(iii) While upon the premises of Westinghouse or Westinghouse’s customers,
Seller and its Subcontractors shall comply with all applicable site rules and policies;

(b) Seller shall remedy any nonconformity with this undertaking at its own expense, as
directed by Westinghouse. Seller shall also commit its Subcontractors to act accordingly, should this
be required for the performance of the delivery and service.

10.5 Beneficiary of the Liability and Warranty Claims

The above liability and warranty claims shall apply for the benefit of Westinghouse and the
customers of Westinghouse. Westinghouse may assign these claims without restriction and free of
charge to other Westinghouse companies or Third Parties.

Article 11 – Indemnity

Seller shall indemnify and hold harmless Westinghouse and its officers, employees, legal successors
and assignees regarding all liabilities, damages, costs, losses, demands, claims, lawsuits and expenses
(including attorney's fees incurred) which are incurred in connection with the Purchase Agreement
and are attributable to the performance of Seller, in particular but not exclusive to resulting
downtimes, actions or omissions, claims or fines from government authorities, unless they were
intentionally caused by Westinghouse.
### Article 12 – Insurance

#### 12.1 Seller’s Insurance Requirements

Seller shall, during the performance of the Work, maintain insurance of the types and minimum amounts set forth below. **Seller shall ensure that all such insurance is maintained in full force and effect as specified herein from its commencement of performance of the Work to the date of expiration of the Warranty Period hereunder.**

<table>
<thead>
<tr>
<th>Type of Coverage</th>
<th>Minimum Amount of Coverage (Limits EUR or equivalent)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Workers’ Compensation or equivalent Statutory Compensation (including Employers Liability) complying with the applicable Laws for Seller’s territory</td>
<td>As required by Law (Minimum statutory limit)</td>
</tr>
<tr>
<td>Primary Commercial General Liability (CGL) insurance providing cover for premises, operations, products-completed operations, personal and advertising injury, and liability assumed under an insured contract</td>
<td>Not less than EUR 5,000,000 each occurrence, and EUR 5,000,000 in the Aggregate</td>
</tr>
<tr>
<td>Automobile Liability, including owned, hired, and non-owned automotive equipment used in connection with the insured operation</td>
<td>Bodily Injury and Property Damage Combined – EUR 2,000,000 each occurrence</td>
</tr>
<tr>
<td>Excess Liability Insurance following the form of the primary Commercial General Liability policy for the coverage required above. The Excess limits can also be used to satisfy the overall limit requirements for the above (CGL) policy</td>
<td>Overall limit to be not less than EUR 10,000,000 each occurrence; EUR 10,000,000 in the aggregate in total when in combination with primary and other Excess Liability policies</td>
</tr>
<tr>
<td>Professional Liability, if specified in the P.O, including coverage for professional negligent acts, errors or omissions.</td>
<td>EUR 10,000,000 each accident and in the aggregate per year</td>
</tr>
<tr>
<td>Cargo/Transit Insurance must be obtained on Materials to be transported.</td>
<td>In the amount of the value of the Materials, Delivery, FCA (domestic shipments) (name of place of delivery to be stated) or DAP (international shipments) (name of place of delivery to be stated) Incoterms 2010 unless specified otherwise in the P.O.) +10% CIF</td>
</tr>
<tr>
<td>Property ‘All Risks’ Insurance</td>
<td>In the amount of the reinstatement value of the materials in Seller’s (or manufacturer’s) custody or control</td>
</tr>
</tbody>
</table>

#### 12.2 Provisions Applicable to All Coverages

(a) All insurance required to be provided by Seller hereunder shall be placed with insurers having an A.M. Best and Company rating level of A- or better, Class VII or better and authorized to do business in the territory where the Work is to be performed.

(b) Maintenance of insurance shall not limit Seller’s liability for loss or damage in excess of policy limits or outside of policy coverage.
Prior to the Effective Date, Seller shall furnish Westinghouse one or more certificates of insurance for all insurance policies required to be provided under the Purchase Agreement. The certificates shall list all required endorsements as set forth in Section 12.3 below. Such certificates shall provide that the insurer on each policy shall endeavor to give 30 Days’ written notice to Westinghouse prior to any material change or cancellation of the insurance. Seller shall deliver to Westinghouse a further certificate(s) of insurance for each subsequent renewal where coverage is required to be maintained within 5 Days of the renewal date. Each certificate furnished pursuant to this Section 12.2(c) shall state that it is being furnished in compliance with the requirements of the Purchase Agreement and shall identify the Purchase Order by the number assigned to it by Westinghouse.

Neither a failure of Seller to provide the required certificate of insurance nor Seller’s submission of a certificate of insurance not in conformance with the insurance requirements stated in this Article 12 relieves Seller from the obligation to have in force the required insurance coverages and endorsements to the policies as set forth below.

No policy should have an excess or deductible which exceeds EUR 250,000 (or equivalent) without prior discussion and agreement with Westinghouse. Seller is responsible for any excess or deductibles associated with its policies of insurance.

Any limits of coverage may be met by one or more policies.

Policy Endorsements.

Each liability insurance policy (including the Workers’ Compensation and Employer’s Liability policies) required to be provided by Seller in Section 12.1 above shall contain or be endorsed to contain the following provision:

The insurer waives any right of subrogation against Westinghouse Electric Germany GmbH and its subsidiaries and affiliates (including Westinghouse Electric Company LLC and/or Westinghouse Electric UK Holdings Ltd) as well as its members, officers, directors, employees, lenders, subcontractors and suppliers of any tier.

Each policy (except the Workers’ Compensation, Employer’s Liability, Property, Professional Liability, Open Cargo and/or Inland Transit Insurance policies) required to be provided by Seller in Section 12.1 above shall also contain or be endorsed to contain the following provisions:

(i) Westinghouse Electric Germany GmbH, its subsidiaries and affiliates (including Electric Company LLC and/or Westinghouse Electric UK Holdings Ltd) as well as its members, officers, directors, employees, lenders, subcontractors and suppliers of any tier are covered as additional insured to the extent of Seller’s indemnity obligations under the Purchase Agreement.

(ii) All provisions of this policy, except the limits of liability, will operate in the same manner as if there were a separate policy covering each insured under each policy.

(iii) The insurer waives any and all right of recourse under this policy against the additional insured for the payment of premiums, additional premiums or assessments.

(iv) This policy shall be primary, or excess only with respect to the specified primary policy provided by the named insured(s) for such coverage, and not excess or contributing with respect to any other insurance maintained by or for the additional insured.

Westinghouse Liability

In no event shall Westinghouse’s aggregate liability to Seller for any loss or damage arising out of or in connection with or resulting from the Purchase Agreement exceed the price allocable to the Work or unit thereof which gives rise to the claim. Westinghouse shall not be liable for interest charges or penalties of any description.
Article 13 – Warranties

13.1 Seller warrants that the Material and Services, at the time of delivery and completion of Work, are free of and unencumbered by any liens, security interests or claims. Upon request by Westinghouse, Seller shall immediately provide statements regarding release and waivers for security interests in a form satisfactory to Westinghouse, otherwise, Westinghouse shall be entitled to a right of retention in respect of the payment owed. With regard to Work or any part thereof, Seller is not permitted to file a statutory mechanics’ lien claim nor any other encumbrance of any kind regarding buildings, constructions or properties of Westinghouse or customers of Westinghouse, nor is Seller permitted to allow a Subcontractor or any other person who provides Seller or any Subcontractor with labor or Materials for the performance of the Work to file such right. Seller undertakes to provide the Work free of security interests and shall indemnify the property owner for any claim arising from security interests by settling such claim with a cash bond or written guarantee.

13.2 In the event that any Subcontractor files or causes to be filed a statutory mechanics’ lien claim or other encumbrance of any type, Seller shall immediately take any and all steps to post cash, securities or a bond in substitution of the statutory mechanics’ lien claim. Furthermore, in the event that any Subcontractor claims or files or causes to be filed a statutory mechanics’ lien claim or encumbrance, Seller shall protect, defend, hold harmless and indemnify the property owner from and against any and all claims, demands, actions, liabilities, liens, damages, losses, costs and expenses arising in connection with any liens, encumbrances or statutory mechanics’ liens asserted against the owner of the property by any person or entity providing labor and/or Materials to Westinghouse or any Subcontractor.

Article 14 - Confidential Information

14.1 Substitution of Prior Confidentiality Agreements. The terms of this Article 14 will prevail in the event of conflict with any previous confidentiality agreement executed by Westinghouse and Seller for the purposes described in Section 14.2 below.

14.2 Intended Purpose. Proprietary Information shall be used by the Receiving Party exclusively in connection with the performance of its responsibilities relating to (a) the Work and (b) the Purchase Agreement.

14.3 Unauthorized Disclosure. The Receiving Party shall employ all reasonable commercial efforts and take all reasonable precautions to maintain the Confidential Information received under the Purchase Agreement in confidence and to prevent loss or unauthorized disclosure to Third Parties of the Confidential Information.

14.4 Disclosure to Third Parties. Westinghouse shall have the right to disclose and use Confidential Information vis-à-vis Westinghouse’s customer and Westinghouse’s parent and subsidiary companies and companies under common control. Otherwise, a Receiving Party shall disclose the Confidential Information only to those of its employees who (a) have a need to know solely for the purposes set forth in Section 14.2 above and (b) have agreed to comply with the terms of this Article 14. A Receiving Party shall not disclose Confidential Information to a Third Party (such as another person, firm or company) without the prior written approval of the Disclosing Party.

14.5 Disclosure Required by Law or Order. If the Receiving Party becomes compelled due to legal provisions or requirements (by oral questions, interrogatories, request for information or documents, subpoena, civil investigative demand or similar process) to disclose any Confidential Information, the Receiving Party shall provide the Disclosing Party with prompt written notice so the latter may seek a protective order or other appropriate remedy and/or waive compliance with the provisions of this Article 14. If such protective order or other remedy is not obtained, or compliance
with the provisions of this Article 14 is waived, the Receiving Party shall disclose only the minimum amount of Confidential Information that is legally required and shall exercise all reasonable efforts to obtain reliable assurance that confidential treatment will be accorded the proprietary information so disclosed.

14.6 Exceptions. The requirements of Sections 14.3, 14.4, and 14.5 shall not apply to any Confidential Information that is:

(a) at the time of the disclosure already general and public knowledge or easily available to the Parties in connection with their business or to the public or becomes known or easily available without any fault of the Receiving Party;

(b) lawfully obtained at any time from a Third Party legally entitled to possess the information and provide it to the Receiving Party, if the use or disclosure (as appropriate) is in accordance with the rights or permission lawfully granted to the Receiving Party by such Third Party;

(c) disclosed in any issued patent, publication, or other source from and after the time it becomes generally available to the public; or

(d) independently developed by the Receiving Party without the benefit of the proprietary information disclosed to the Receiving Party under the Purchase Agreement.

Article 15 – Intellectual Property

15.1 Westinghouse Information

"Westinghouse Information" means all of Westinghouse’s data, designs, drawings, technical specifications and other information furnished to Seller for purposes of the Work and the Purchase Agreement.

(a) All Westinghouse Information, including but not limited to all intellectual property rights associated therewith, including its work processes, shall remain the complete and exclusive property of Westinghouse.

(b) Westinghouse hereby grants Seller a license on a non-exclusive and royalty-free basis to use and modify the Westinghouse Information solely for the purpose of providing the Work to Westinghouse.

(c) Westinghouse shall own all rights, titles and interests in any and all modifications made by Seller to Westinghouse Information.

15.2 Seller Information

(a) "Seller Information" means all of Seller’s data, designs, drawings, technical specifications and other information developed or obtained by Seller outside the scope of the Purchase Agreement (excluding all information provided either by or on behalf of Westinghouse pursuant to any other agreement with Westinghouse) and used by Seller to develop know-how.

(b) All Seller Information, including but not limited to all intellectual property rights associated with it, including its work processes, shall remain the complete and exclusive property of Seller. Seller shall retain all right, title and interest in and to Seller Information, including all intellectual property rights therein.
(c) Seller hereby grants Westinghouse a license on an irrevocable, perpetual, non-exclusive, assignable, paid-up, royalty-free and worldwide basis to use, copy, modify, create derivative works of, store electronically and sublicense Seller Information for purposes of licensing, maintaining, operating, repairing, and modifying the Work, demonstrating compliance with codes and standards, and other similar purposes as may be required by Westinghouse.

(d) At Westinghouse’s reasonable request, Seller shall provide Westinghouse with remote electronic access to Seller’s Information unless precluded by Third-Party license restrictions.

15.3 Work Results

(a) "Work Results" means all information, data, documents, drawings, software, designs, specifications or innovations generated, developed or obtained by Seller under the Purchase Agreement and incorporated in the Work.

(b) Westinghouse shall own all rights, titles and interests in all Work Results, including all associated intellectual property rights (including copyright).

(c) For the term of the Purchase Agreement only, Westinghouse hereby grants Seller a license on a non-exclusive, royalty-free basis to use the Work Results for performance of the Work for the benefit of Westinghouse.

(d) Seller shall provide Westinghouse with the necessary assistance (and direct its employees to do the same) for Westinghouse to file and prosecute patent applications in order to protect Work Results, including by making any assignments of ownership that may be required by Westinghouse.

15.4 Third-Party Information.

(a) "Third-Party Information" means any information and intellectual property provided by unaffiliated Third Parties that is used by Seller in the performance of and incorporated into the Work.

(b) To the extent such Third-Party Information is included in any Work, Seller shall obtain for Westinghouse and its suppliers, Subcontractors, and customers, to the extent reasonably possible, the right to use, have used, copy, modify, have modified such Third-Party Information as required for the design, construction, operation, maintenance and licensing of the Work.

(c) Seller represents that it holds a license to such Third-Party Information and it is authorized under such license to sublicense the Third-Party Information as required herein.

15.5 Documentation.

(a) Subject to Article 15.2 above, Westinghouse shall own all rights, titles and interests in and to all Documentation, including all intellectual property rights associated with the contents of the Documentation, in whatever medium the Documentation may be provided.
(b) Seller shall provide Westinghouse with the necessary assistance (and direct its employees to do the same) for Westinghouse to file and prosecute patent applications or otherwise to assert, establish and protect its intellectual property rights in the Documentation, including by making any assignments of ownership that may be required by Westinghouse free of charge from Seller.

(c) For Documentation containing no Seller Information or Third-Party Information, Seller shall clearly mark such Documentation with the notation “Westinghouse Confidential Information Proprietary Class 2” unless otherwise directed by Westinghouse.

(d) In the case of Documentation which contains Seller Information and/or Third-Party Information, if possible, Seller shall mark and identify clearly such Seller Information and/or Third-Party Information and Seller shall mark such Documentation with a notation stating: "This document contains proprietary information [of Seller] and proprietary information [of Westinghouse] and shall be treated pursuant to the agreement under which it has been provided."

(e) For Documentation that is manifested or transmitted electronically, such marking(s) shall first appear on the computer screen before the file is opened in which it is recorded.

(f) Documentation submitted without any markings as required above shall be deemed to contain no Seller Information or Third-Party Information and to contain entirely Westinghouse background information and/or foreground information. Westinghouse shall have the right to mark such Documentation accordingly.

Article 16 – Title; Transfer of Perils; Delivery

16.1 Transfer of Title. Title to an item of Materials furnished under the Agreement as all or part of the Work shall pass to Westinghouse upon and in proportion with the payment made by Westinghouse to the Seller.

While Seller has any Materials in its possession that are owned by Westinghouse or in which Westinghouse holds an interest in any way, whether secured or unsecured, Seller shall clearly identify and segregate such Materials unless this requirement is waived in writing by Westinghouse; or where this is not possible, such a notice shall be displayed and record made in the books of the Seller as may be necessary for the purpose of ensuring that all such items are readily identifiable as being the property of Westinghouse, and if any direction is given by Westinghouse to the Seller as to the steps to be taken to ensure that any such items shall be readily identifiable as being the property of Westinghouse, the Seller shall comply with that direction.

In the event payments are made by Westinghouse prior to delivery, Seller hereby grants a security interest in such Materials and related Documentation to the extent of Westinghouse’s advance and Seller shall execute and deliver such documents as may be deemed necessary by Westinghouse to protect its rights in and to the Materials and related Documentation. The passage of title to Westinghouse shall not be deemed an acceptance or approval of any Work, shall not affect the allocation of risk of loss, and shall not otherwise relieve Seller of any obligations, including obligations related to delivery, under the Agreement.

16.2 Transfer of Perils (Risk of Loss). Regardless of whether title has passed to Westinghouse, the risk of loss for the Work remains with Seller until delivery of the Work to Westinghouse in
accordance with this Article 16. Seller shall at its cost promptly replace, repair or reconstruct any Work that is lost, damaged, or destroyed while Seller bears the risk of loss.

16.3 **Delivery.** Unless otherwise specified in the Purchase Order, deliveries within Germany shall be FCA at the place of delivery designated in the Purchase Order (Incoterms 2010), and international deliveries shall be DAP at the place of delivery designated in the Purchase Order (Incoterms 2010).

16.4 **The provisions of this Section 16.4 shall apply only for delivery to Westinghouse in the United States.** Seller shall provide in writing to Westinghouse at the address specified in the Purchase Order no less than four Working Days prior to loading of the Work on any ocean-going vessel for delivery to Westinghouse in the United States the following information in English: (1) Seller’s full legal name and address, including country; (2) the full legal name and address, including country, of the ship to party (the party first scheduled to receive the Work, including any equipment, Material or other goods after release by US Customs and Border Protection upon entry into the United States of America); (3) the full legal name and address, including country, of the entity that manufactured, assembled, produced or supplied the Work, including any equipment, Material or other goods in the country from which the foregoing are leaving; (4) a listing of the Work being shipped and corresponding Harmonized Tariff Code(s) to the first six digits and country of origin for each item of the Work; (5) the full address of the location, including country, at which the container(s) in which the Work being shipped was loaded; (6) the full legal name and address, including country, of the freight consolidator or other party that loaded the container(s); (7) the Ocean bill of lading and any “House” bill of lading number, booking number and estimated container loading date(s) and Standard Carrier Alpha Code (SCAC); (8) vessel name, IMO number, estimated sail date, estimated arrival date, container number(s) and voyage number; (9) the Purchase Order under which the Work is being delivered.

16.5 Seller shall provide to Westinghouse the Export Control Classification Number as defined in the U.S. Export Administration Regulations, or, if not of U.S. nationality, the equivalent export control designation under the export control regulations of Seller’s country of nationality, upon the earlier of: the shipment date or invoice date of the Purchase Order.

16.6 For international shipments, Seller shall provide Westinghouse a commercial invoice or pro forma invoice, as appropriate, in a form and with all necessary data to comply with the requirements of the customs laws and regulations of the country to which the Work is to be delivered to Westinghouse, including the Harmonized Tariff Code(s) to the first six digits (regardless of legal requirements). Seller shall provide free of cost and at no additional cost or delay any required certification of origination to permit Westinghouse’s claim for preferential duty or tariff treatment for the tangible portions of the Work with respect to free trade agreements, customs unions or similar international agreements governing Westinghouse and Seller.
Article 17 – Termination of the Agreement, Suspension

Westinghouse may terminate or suspend the Purchase Agreement without further requirements, in whole or in part, at any time by written notice. In such event, Seller shall promptly comply with the directions contained in such notice and shall, subject to such direction, (1) take all necessary action to terminate or suspend the Work as provided in the notice, minimizing costs and liabilities, (2) protect, preserve and deliver any property related to the Purchase Agreement that is in Seller’s possession pursuant to Westinghouse’s direction; and (3) continue the performance of such part of the Work, if any, as may not have been terminated or suspended by the notice; failure to continue the performance of such part of the Work, if any, as may not have been suspended shall be deemed to be a material breach of the Purchase Agreement. If Seller at the time of such termination or suspension has in stock or on firm order any completed or uncompleted items or any raw, semi-processed or completed materials for use in fulfilling the Purchase Agreement that cannot be used by Seller for any other purpose, then: (1) in the case of completed items or materials, Westinghouse may either require delivery of all or part of the completed items or materials and make payment thereof at the Purchase Price or, without taking delivery thereof, pay Seller the difference, if any, of the Purchase Price stipulated in the Purchase Agreement over the market price at the time of termination, and (2) in the case of uncompleted items or raw or semi-processed materials, Westinghouse may, at its option, either require Seller to deliver all or part of such items or materials at the portion of the Purchase Price representing their stage of completion or, without taking delivery thereof, pay Seller with respect to such items or materials as are properly allocable to the Purchase Agreement, a portion of the Purchase Price representing the state of completion of such items or materials, reduced by the higher of the market or scrap value of such items or materials at such stage of completion; and (3) in the case of items or materials which Seller has ordered firmly, Westinghouse, at its option, shall either have Seller’s rights under such order assigned to it or pay the cost, if any, for the payment or performance of Seller’s obligation under the Purchase Agreement.

Westinghouse shall have the right, by written notice to Seller, to terminate the whole or any part of the Purchase Agreement for good cause: (1) if Seller fails to deliver items and Materials or to perform the services within the time or in the manner provided under the Purchase Order, (2) if reasonable grounds for insecurity arise with respect to Seller’s performance and Seller fails to furnish adequate assurances within 10 days after a written demand by Westinghouse for such assurance or (3) if Seller becomes insolvent or makes an assignment for the benefit of creditors, commits an act of bankruptcy or files or has filed against it a petition in bankruptcy proceedings. In the event Westinghouse terminates the Purchase Agreement, in whole or in part, for good cause, Westinghouse shall be entitled to all rights and remedies provided by law.

Article 18 – Audit Rights, In-process and Final Inspections, Quality Assurance

18.1 Westinghouse shall have reasonable access during normal working hours and for a reasonable length of time to Seller’s books or records, and all supporting documents thereto, insofar as such access is pertinent to support Seller’s charges for cost-reimbursable Work performed under the Purchase Agreement. Seller must ensure that the accounting records and procedures adhere to generally accepted accounting practices and principles.

18.2 Seller represents that it has established and implemented a recognized quality assurance program (such as certification pursuant to ISO 9000 et seqq.). Seller represents that the quality assurance program meets Westinghouse’s requirements regarding quality control and quality assurance, is documented and verifiable. Seller shall, at its own cost and expense, provide Westinghouse with a copy of the quality assurance documentation (such as manuals) applicable to the Work.
18.3 Westinghouse shall, at its own cost and expense, have access to Seller’s manufacturing facilities where the Work is being performed for the purpose of quality assurance monitoring, the witnessing of the general performance of the Work and participating in specified holding and acceptance points. Westinghouse shall have the right to issue a stop-work order at any time Westinghouse determines that the Work is not in compliance with the agreed specifications, the Purchase Agreement or the quality assurance program or other requirements of the Purchase Agreement. Seller shall compensate Westinghouse for its additional costs and expenses incurred as a result of such non-compliance by Seller, and Westinghouse shall not be obligated to compensate Seller for time, costs, damages or delays caused by such non-compliance nor shall such delays constitute grounds for any change or modification of the delivery schedule.

18.4 Westinghouse shall have the right to establish, under the Purchase Agreement, a separate and independent inspection and testing program for inspection and acceptance of the Work. Should Westinghouse establish such a program, Seller shall use its best efforts to cooperate in the performance of such program. Should it be determined, as a result of such program, that the Work does not conform to the requirements of the Purchase Agreement, the Parties shall mutually agree as to a method of correcting the non-conformance. Such program shall not in any way release Seller from its obligations under the Purchase Agreement.

18.5 Westinghouse shall have access to Seller’s facilities for the purpose of auditing Seller’s quality assurance program and quality control records applicable to the Work. Seller shall compensate Westinghouse for its additional costs and expenses incurred as a result of non-compliance by Seller with the quality assurance program or inability to locate quality control records in a timely manner during the audit. Seller shall retain the quality control records, which are applicable and specified in the Purchase Agreement, in a form which minimizes the risk of their destruction or loss for the period of time specified in the applicable codes and standards. Seller shall advise Westinghouse prior to disposal of such records.

18.6 The obligations contained in this Article shall apply to Seller’s Subcontractors, and Seller must impose the same obligations on its Subcontractors through its agreements with its Subcontractors.

18.7 Seller’s quality control and quality assurance program must include provisions for non-safety related items within the scope of the Work. The level of quality control provided in these areas need not meet the specific quality assurance requirements of Seller’s quality assurance program, but shall provide for an adequate level of quality in such areas. Westinghouse shall be allowed access to Seller’s facilities to inspect workmanship, observe and conduct tests and inspections, expedite delivery, and obtain required information for the Materials. Seller shall use its best efforts to obtain for Westinghouse the same access rights at Subcontractors’ facilities.

18.8 Subject to the confidentiality obligations of Article 14, Westinghouse shall have the right to make copies of or extracts from all financial and related records relating to or pertaining to this agreement kept by or under the control of Seller and/or the Subcontractors. Seller hereby agrees that Westinghouse may use the services of a Third Party auditor provided such Third Party executes a confidentiality agreement with Westinghouse limiting use of Seller’s Confidential Information to performance of the audit services and prohibiting any further disclosure.

18.9 Seller shall respond to Westinghouse in writing to all audit findings within a reasonable amount of time from the receipt of the audit report. Responses should include timelines and plans for closure of all corrective actions and commitments.

**Article 19 – Self-Dependent Performance of the Work; Independent Contractor**

19.1 **Self-Dependent Performance of the Work.** Seller shall be solely responsible for the performance of the Work and shall furnish the labor, tools, equipment and Materials, and such other activities necessary to perform the Work properly and safely. Seller shall be solely responsible for the actions of its Subcontractors and their personnel.
19.2 **Independent Contractor.** Seller is an independent contractor and nothing contained herein shall be construed as creating (a) any relationship between Westinghouse and Seller other than that of independent contractor; (b) any relationship whatsoever between Westinghouse and Seller’s employees or Subcontractors; or (c) a fiduciary relationship between Seller and Westinghouse. Neither Seller nor any of its employees are or shall be deemed to be employees of Westinghouse.

**Article 20 – Assignment**

Seller shall not assign the Purchase Agreement in whole or part without Westinghouse’s prior written consent. Seller shall promptly notify Westinghouse in writing of any change in its status including, but not limited to bankruptcy, insolvency, change of ownership or control, strike or work stoppage.

**Article 21 – Notices**

All notices, consents, communications and approvals required or permitted to be given under the Purchase Agreement shall be in writing and shall be valid and sufficient if they have been delivered to Westinghouse in person or per registered letter (with reply advice).

**Article 22 – Publicity**

Seller shall not, except with the express prior written consent of Westinghouse, in any manner advertise or publish or release for publication any statement or information mentioning Westinghouse, its parent, affiliates and/or subsidiaries or the fact that the Seller has been furnished or has been contracted to furnish to Westinghouse the Work required by the Purchase Agreement.

**Article 23 – Anti-Bribery/Prevention of Kickback/Code of Conduct/Compliance Regulations**

Seller represents that neither Seller nor its officers, directors, employees, agents, representatives or Subcontractors on its behalf will either make or promise to make a gift, payment of money or similar benefits, directly or indirectly, to any other person for the illegal purpose of inducing another person to misuse his or her position or to influence any act or decision in order to conclude, continue or direct any business transactions in connection with the Purchase Agreement.

Seller shall deliver annually or as requested by Westinghouse certifications of compliance with respect to this Article 23, as well as other reasonable assurances required by Westinghouse. Any violation of this Article 23 by Seller shall give Westinghouse the right to terminate the Purchase Agreement.

**Article 24 – Intellectual Property Liability/Intellectual Property Infringement Indemnity**

24.1 Seller represents and warrants that all Work delivered or performed pursuant to the Purchase Agreement and the sale or use thereof do not infringe any Third Party’s intellectual property rights, including but not limited to patent, trade secret, copyright or trademark rights.

24.2 Seller, at its own cost, shall indemnify and defend Westinghouse and/or Westinghouse’s customers against, or at its option settle, any actions to the extent such action is based on a claim that all or part of the Work constitutes an infringement or misappropriation of any intellectual property rights of a Third Party. Seller shall pay all damages, liabilities, costs, losses and expenses (including attorneys’ fees) incurred in connection with any such claim against Westinghouse and/or Westinghouse’s customers.

24.3 Westinghouse may, at its option, request that Seller, at its own cost, (a) shall procure the right for further usage of this Work for Westinghouse and/or its customers; (b) shall replace such Work with an item which satisfies all requirements of the Purchase Agreement and does not infringe any other rights; (c) shall modify this Work in such a way that no rights are infringed any longer while continuing to satisfy all requirements of the Purchase Agreement; or (d) shall refund the Purchase Price to Westinghouse after Westinghouse has returned to Seller the unlawful Work.
Article 25 – Westinghouse Property

25.1 Any tools, patterns, equipment, Material or other property which is supplied to Seller by Westinghouse (“Westinghouse Property”) shall not be used by Seller on any other work without the prior written consent of Westinghouse.

25.2 Title to aforementioned goods shall remain with Westinghouse. Seller shall segregate and clearly mark Westinghouse Property to show Westinghouse’s ownership and shall preserve Westinghouse’s title thereto free and clear of all encumbrances. Should Westinghouse at any time have reason to believe that its title to, or right to the possession of, any furnished property is threatened, Westinghouse shall have the right to enter upon Seller’s premises and remove such property. Westinghouse reserves the right to abandon Westinghouse Property at no additional cost to Westinghouse upon issuance of written notification to Seller of such intent.

25.3 Seller shall, at its expense, perform all maintenance, repairs and replacements necessary with respect to Westinghouse Property so that the same may remain suitable for the use contemplated by the Purchase Agreement and may be returned to Westinghouse in as good condition as when received, except for reasonable wear and tear or consumption of materials necessarily resulting from their use.

25.4 Seller waives all claims regarding loss, damages, injuries or delays resulting from or in connection with Westinghouse Property. Seller shall indemnify Westinghouse against any and all liability for property damage and personal injury in connection with Westinghouse Property, independent of the fact that these damages, whether such damage or injury be caused by defects in such property, negligence in the use thereof, strict liability or otherwise.

Article 26 – Compliance with Export Control Laws and Regulations

The Seller agrees not to disclose, transfer, export, or re-export, directly or indirectly, any and all Purchaser furnished items, including but not limited to proprietary information, technology, materials, equipment, spare parts, services, deliverables, software and other export controlled items furnished hereunder, or any direct products or technology resulting therefrom (“Items”) to any country, natural person or entity, except in accordance with applicable export control laws, specifically the U.S., the E.U. (including the European Community, EC 428/2009), and other applicable government export control laws and regulations (“Applicable Laws”). To assure compliance with the Applicable Laws of the United States Government, specifically the U.S Department of Energy export regulations of nuclear technology under 10 C.F.R Part 810 (U.S Code of Federal Regulations), the Nuclear Regulatory Commission export regulations under 10 C.F.R. Part 110, the U.S. Department of Commerce export regulations of commercial or dual use items under 15 C.F.R. 30 et seq., and the U.S. Department of Treasury’s sanctions programs and sanctions lists, the Seller shall not disclose, transfer, export, or re-export, directly or indirectly, any Item it receives hereunder without the prior written permission of the Purchaser, which may be contingent on additional United States Government and other applicable government approvals. The Seller represents and warrants that (i) neither Seller nor its personnel (including its employees, contractors, officers, directors and principal owners) are currently included in any published lists maintained by the governments of the U.S., E.U. and other countries and international organizations of persons and entities whose export or import privileges have been denied or restricted, (ii) Seller will not use the Items in any activity prohibited by 15 CFR Part 744, including without limitation nuclear, chemical, or biological weapons proliferation activities, and (iii) the Seller will not disclose Items to any countries for which the U.S., the E.U. and other applicable governments maintain an embargo or to citizens or residents thereof if prohibited by such embargo. If applicable, Seller shall provide to Purchaser the export control classification number (for example the ECCN or ECN) as defined under the export control regulations of Seller’s country of nationality, upon the earlier of the shipment date or request by Purchaser. Subject to Article 14, the Seller may transfer or re-export Items to approved affiliates and sub-suppliers provided that such recipients are located in the same country as the Seller or Purchaser and the
recipient is not included in any published lists of natural persons and entities whose export or import privileges are in any way restricted, which are maintained by the United States, the European Union, or other countries and international organizations. The Seller shall fully comply with all such laws and regulations with regards to the Items it receives hereunder and shall cooperate in good faith with the reasonable requests of the Purchaser made for purposes of its compliance with such Applicable Laws. Notwithstanding any other provisions in this Agreement, the obligations set forth in this Article 26 shall survive so long as the relevant Applicable Laws are in effect.

Article 27 - Environment, Health and Safety

27.1 Seller shall take appropriate actions necessary to protect health, safety and the environment, including, without limitation, in the workplace and during transport of the Work and has established an effective program to ensure any Subcontractors it uses to perform the Work will be in compliance with the provisions of this Article 27.

27.2 Seller warrants that each chemical substance constituting or contained in Material sold or otherwise transferred to Westinghouse is suitable for use and/or transport in any jurisdiction to or through which Westinghouse informs Seller the Materials will likely be shipped or to or through which Seller otherwise has knowledge that shipment will likely occur, and it is listed on or in: the European Inventory of Existing Commercial Chemical Substances ("EINECS"), as amended, or the European List of Notified Chemical Substances ("ELINCS") and standards and regulations lawfully existing hereunder; or an equivalent or comparable list in another jurisdiction to or through which Westinghouse informs Seller the Materials will likely be shipped or to or through which Seller otherwise has knowledge that shipment will likely occur.

27.3 Seller warrants that each chemical substance constituting or contained in Material sold or otherwise transferred to Westinghouse: A) is properly documented and/or registered as required in the jurisdiction to or through which Westinghouse informs Seller the Materials will likely be shipped or to or through which Seller otherwise has knowledge that shipment will likely occur, including but not limited to pre-registration and registration if required, under Regulation (EC) No. 1907/2006 ("REACH"); B) is not restricted under Annex XVII of REACH; and C) if subject to authorization under REACH, is authorized for Westinghouse’s use. In any case, Seller shall provide Westinghouse in good time with supporting Documentation, including without limitation, 1) pre-registration numbers for each substance; 2) the exact weight as a percentage of the weight of each substance on a REACH Candidate List (hereinafter defined) constituting or contained in Materials; 3) all relevant information required by Westinghouse for the fulfilment of its obligations under REACH for the information of its customers about safe use; and 4) the relevant documents regarding the authorization for the use of an Annex XIV substance by Westinghouse. Seller shall notify Westinghouse if it decides not to register substances that are subject to registration under REACH and are constituting or contained in Materials supplied to Westinghouse at least 12 months before the registration deadline applicable to such substances. Seller must monitor the publication by the European Chemicals Agency of the list of substances meeting the criteria for authorization under REACH (the "Candidate List") and immediately notify Westinghouse if any of the Materials supplied to Westinghouse constitute or contain a substance officially proposed for listing on the Candidate List. Seller shall provide Westinghouse with the name of the substance and sufficient information to allow Westinghouse to safely use the Materials and fulfill Westinghouse’s own obligations under REACH.

27.4 Seller warrants that none of the Materials sold or transferred to Westinghouse contain any of the following substances: A) of the following chemicals: Arsenic, asbestos, benzene, beryllium, carbon tetrachloride, cyanide, lead or lead compounds, cadmium or cadmium compounds, hexavalent chromium, mercury or mercury compounds, trichloroethylene, tetrachloroethylene, methyl chloroform, polychlorinated biphenyls ("PCB"), polybrominated biphenyls ("PBB"), polybrominated diphenyl ethers ("PBDE"); B) chemical or hazardous material otherwise prohibited pursuant to Section 6 of the TSCA; C) chemical or hazardous material otherwise subject to
restrictions pursuant to EU Directive 2011/65/EU (21 July 2011) (the “RoHS Directive”), as amended; D) designated ozone depleting chemicals as restricted under the Montreal Protocol (including, without limitation, 1,1,1 trichloroethane, carbon tetrachloride, Halon-1211, 1301 and 2402, and chlorofluorocarbons 11-13, 111-115, 211-217); E) any substance listed on the REACH Candidate List, subject to authorization, and listed in Annex XIV of REACH, or subject to restrictions under Annex XVII of REACH; or F) other chemical or hazardous material the use of which is restricted in another jurisdiction to or through which Westinghouse informs Seller the Material will likely be shipped or to or through which Seller otherwise has knowledge that shipment will likely occur, unless - with regarding to all of the foregoing - Westinghouse expressly agrees in writing and Seller identifies an applicable exception from any relevant legal restriction on the inclusion of such chemical or hazardous material in the Material sold or transferred to Westinghouse. Upon request from Westinghouse and subject to reasonable confidentiality provisions that enable Westinghouse to meet Westinghouse’s compliance obligations, Seller shall provide Westinghouse with the chemical composition, including proportions and weights, of any substance, preparation, mixture, alloy or goods supplied under the Purchase Agreement and any other relevant information or data regarding the properties, including without limitation test data and hazard information.

27.5 Seller warrants that, except as specifically listed on the Purchase Order or in an applicable addendum, none of the Materials supplied under the Purchase Agreement are electrical or electronic equipment or batteries or accumulators as defined by laws, codes or regulations of a jurisdiction to or through which Westinghouse informs Seller the Materials are likely to be shipped or to or through which Seller otherwise has knowledge that shipment will likely occur, including but not limited to EU Directive 2012/19/EU (24 July 2012) (the “WEEE Directive”), as amended and EU Directive 2006/66/EC (26 September 2006) (the “Batteries Directive”), as amended and/or any other legislation or regulation providing for the taking back of such electrical or electronic equipment or batteries or accumulators (collectively, “Take-Back Legislation”). For any goods specifically listed on the Purchase Order or in such addendum as electrical or electronic equipment or batteries or accumulators that are covered by any Take-Back Legislation, Seller shall: A) assume responsibility for taking back such goods in the future upon request of Westinghouse and for treating or otherwise managing such goods in accordance with the requirements of applicable Take-Back Legislation; B) with effect as of the conclusion of the Purchase Agreement, take back any used goods currently owned by Westinghouse of the same class of such Materials purchased by Westinghouse under the Purchase Agreement up to the number of new units being purchased by Westinghouse or to arrange with a Third Party to do so in accordance with all applicable requirements; and C) appropriately mark and/or label the goods as required by any applicable Take-Back Legislation. Seller shall not charge Westinghouse any additional amounts, and no additional payments shall be due from Westinghouse for Seller’s agreement to undertake these responsibilities.

27.6 Seller warrants that all Materials conform with applicable Conformité Européenne (“CE”) directives for goods intended for use in the EU, including those regarding electrical and electronic devices, machinery and pressure vessels/equipment. Seller shall affix the CE mark on Materials as required. Seller shall provide all Documentation required by the applicable CE directives, including but not limited to declarations of conformity, declarations of incorporation, technical files and any Documentation regarding interpretations of limitations or exclusions.

27.7 With respect to any Materials sold or otherwise transferred to Westinghouse under the Purchase Agreement, Seller shall notify Westinghouse in writing of the presence of any engineered nanoscale material (defined for these purposes as any substance with at least one dimension of such substance known to be less than one hundred (100) nanometers in length). With respect to all such nanoscale material(s), Seller shall provide a description of its regulatory status and any safety data or other notifications that are appropriate in the EU, U.S. and any other jurisdiction to which Westinghouse informs Seller the Materials will be shipped or to which the Seller otherwise has knowledge that shipment will likely occur.
27.8 With respect to Materials sold or otherwise transferred to Westinghouse under the Purchase Agreement, Seller shall provide all relevant information, including without limitation, safety data sheets in the language and legally required format of the location to which the Materials will be shipped and mandated labeling information, required pursuant to applicable requirements such as: A) the Occupational Safety and Health Act (“OSHA”) regulations codified at 29 CFR 1910.1200, as amended; B) EU REACH Regulation (EC) No. 1907/2006, EU Regulation (EC) No. 1272/2008 classification, labeling and packaging of substances and mixtures ("CLP"), EU Directives 67/548/EEC and 1999/45/EC, as amended, if applicable; and C) any other applicable law, rule, or regulation or any similar requirements in any other jurisdictions to or through which Westinghouse informs Seller the Materials are likely to be shipped or through which Seller otherwise has knowledge that shipment will likely occur, such as the U.S. Department of Transportation regulations governing the packaging, marking, shipping and documentation of hazardous materials, including hazardous materials specified pursuant to 49 CFR, the International Maritime Organization ("IMO"), the International Air Transport Association ("IATA") and any applicable labeling and information disclosure requirements of China’s Management Methods for Control of Pollution Caused by Electronic and Electrical Products (“China RoHS”).

27.9 Seller will remove and dispose of all chemical substances and/or mixtures, containers, materials and residue from their use, in accordance with all applicable statutes, laws, regulations, rules, orders and ordinances at Seller’s facilities, Westinghouse facilities, and Westinghouse’s customer facilities.

Article 28 - Counterfeit and/or Suspect Work/Items

28.1 Counterfeit and/or Suspect Work (“CSW”) refers to goods that may be (1) mislabeled as to source or quality, (2) falsely labeled as new, (3) fraudulently stamped or identified as having been produced to high or approved standards, (4) an unauthorized copy of a known product within the industry, or (5) materially misrepresented in some way by the supplier. All CSW are rebuttably presumed to be not in conformance with the requirements of the Purchase Agreement.

28.2 Seller shall implement a program, applicable at all levels of supply, to document the sourcing of all items and components, and to ensure that CSW is not delivered or incorporated into the Work. In this regard, Seller shall only incorporate equipment and components that are sourced from Original Equipment Manufacturers, Original Component Manufacturers, and their respective authorized distributors. Deviations from this general standard must be approved in writing by Westinghouse.

28.3 If Seller becomes aware or suspects that it has furnished CSW in any form, Seller shall immediately notify Westinghouse in writing with the pertinent facts and Seller shall immediately: (1) provide OCM/OEM documentation that authenticates the traceability of the items in question and a certificate of conformance evidencing compliance with the requirements of the Purchase Agreement; or (2) promptly replace the CSW with items acceptable to Westinghouse at Seller’s sole cost and expense. These costs include, but may not be limited to costs of removing CSW, costs of reinserting replacement parts, any testing necessitated by the reinstallation of replacement parts after CSW has been exchanged, travel expenses, legal expenses, shipping costs, fines or penalties, labor, replacement materials, impoundment and administrative expenses.

28.4 If Westinghouse, at any time, has reasonable cause to believe Seller has furnished CSW, in any form, Westinghouse shall notify Seller and Seller shall immediately: (1) provide OCM/OEM documentation that authenticates the traceability of the items in question and a certificate of conformance evidencing compliance with the requirements of the Purchase Agreement; or (2) promptly replace the CSW with items acceptable to Westinghouse at Seller’s sole cost and expense. These costs include, but may not be limited to costs of removing CSW, costs of reinserting replacement parts, any testing necessitated by the reinstallation of replacement parts after CSW has been exchanged, travel expenses, legal expenses, shipping costs, fines or penalties, labor, replacement materials, impoundment and administrative expenses.
been exchanged, travel expenses, legal expenses, shipping costs, fines or penalties, labor, replacement materials, impoundment and administrative expenses.

Article 29 – Prohibited Materials

Unless otherwise specified on Westinghouse’s specification or the Purchase Order, Seller represents and warrants that the following materials shall not be used in the fabrication or finish of, or be present in, any Materials supplied to Westinghouse under the Purchase Agreement: any conflict minerals of which the source is determined to be located in the Democratic Republic of Congo (DRC) or adjoining countries (Angola, Congo, Central Africa Republic, Sudan, Uganda, Rwanda, Burundi, Tanzania, and Zambia). Currently, the conflict minerals are coltan, tin, gold and wolfram. Seller is responsible for remaining informed of any changes in the conflict minerals implementing regulations so that its representation is valid as of the time of supply of any Materials to Westinghouse under the Purchase Agreement. Westinghouse may at its option require objective evidence to substantiate that these materials are not present.

Article 30 – Safety Conscious Work Environment (SCWE)

30.1 Safety Conscious Work Environment. Westinghouse is committed to safe operations, a strong nuclear safety culture and to maintaining a Safety Conscious Work Environment (“SCWE”) in connection with its operations and its nuclear and quality work activities. To this end, Westinghouse adheres to the INPO® Principles for a Strong Nuclear Safety Culture and the use of Human Performance Tools, and it requires its Suppliers of any tier to demonstrate commitment and adherence to and practice of these principles and tools. Accordingly, Seller shall demonstrate its commitment to and maintain a SCWE, shall implement a SCWE program at its facilities and shall follow Westinghouse’s or Westinghouse Customer’s SCWE program for work at Westinghouse Customer’s site. A SCWE program is one in which Seller and all of its personnel and the personnel of its lower-tier suppliers and Subcontractors are informed and are entitled and encouraged to raise safety and quality concerns to Seller’s management, to Westinghouse or to Westinghouse’s Customer without fear of retaliation or other discrimination.

30.2 Seller’s Information Duty. In the event of concerns which have been expressed by its employees or employees of the lower-tier Subcontractors as well as former employees in connection with fear of retaliation or other discrimination for the assertion of safety or quality concerns, Seller shall inform Westinghouse immediately, however, at the latest within 5 Working Days. Seller shall immediately open investigations or ensure that its lower-tier companies open such investigations to check if its employees, Subcontractors, contractors as well as former employees were disadvantaged or discriminated against because they expressed concerns about safety or quality. Furthermore, Seller shall fully cooperate with Westinghouse to ensure the conducting of a proper investigation and shall provide Westinghouse with any additional information and deliver a written account of the actions which were implemented as a consequence of such investigation.

30.3 Further Information; Audit. If Seller requires further information or clarification regarding these requirements or Westinghouse’s expectations, it is Seller’s responsibility to contact Westinghouse to seek such information and/or clarification or information on Westinghouse’s SCWE policies or programs. Westinghouse [and Westinghouse’s Customer] shall have the right to audit the effectiveness of such programs not less than once every twelve (12) months during the term of the Purchase Agreement. If Westinghouse determines through any such audit that there are deficiencies in the implementation and practice of Seller’s SCWE program, Seller shall undertake appropriate corrective actions to Westinghouse’s reasonable approval.

30.4 Material Breach. Any breach of these provisions shall be deemed a material breach of the Purchase Agreement. In the event that NRC imposes a civil penalty against Westinghouse or Westinghouse’s Customer as a result of Seller’s breach of these provisions, such civil penalty may be considered by the Parties to be direct damages and not consequential, special or indirect damages under this Purchase Agreement.
**30.5 Flow-Down Requirement.** Seller shall include the foregoing provisions into each of its agreements with lower-tier suppliers or Subcontractors for the performance of nuclear safety or quality work in connection with the Purchase Agreement, and Seller shall be responsible for ensuring compliance by its lower-tier suppliers and subcontractors.

**Article 31 – Priority of the Contractual Documents**

In the event of conflict among the various documents of the Purchase Agreement, the conflict shall be resolved according to the priority identified below:

1. Westinghouse’s written Change Notices/subsequent purchasing orders, with the most recent dated documents taking precedence over earlier documents
2. Westinghouse’s Purchase Orders/Agreements
3. These Purchase Order Conditions
4. Westinghouse’s Purchase Order/Agreement Attachments and Schedules
5. All other documents to the Purchase Agreement

Any amendment will have priority over the document it amends, and any amended document will have the same precedence as stated in this provision. The various documents constituting the contractual obligations between the Parties shall, insofar as is possible, be so interpreted as to be consistent with one another.

**Article 32 – Force Majeure**

The Party that invokes a force majeure event must promptly inform the other Party, by registered letter with acknowledgment of receipt informing it of the reasons, of such circumstances together with documents proof and the foreseeable consequences and the likely duration of the relevant event’s consequences.

If the relevant event and/or its consequences last for more than 3 months from the date of occurrence, either Party shall have the right to terminate the Agreement, in whole or in part, after a 15-day notice period.

**Article 33 – Governing Law and Venue**

**33.1** The Purchase Agreement shall be governed by German law, unless otherwise stipulated in the Purchase Agreement. Application of the United Nations Convention on Contracts for the International Sale of Goods (CISG) shall be excluded.

**33.2** In the event of disputes arising from this Agreement or in connection with its execution, and except in cases of emergency issues such as when injunctive relief is required, the Parties undertake to endeavor to settle these amicably. If the Parties fail to come to a decision within thirty (30) days after the dispute has been submitted, the Parties agree, in the first instance, to discuss and consider submitting the matter to the settlement proceedings under the Amicable Dispute Resolution Rules of the German Dispute Resolution Institute (DIS). All related costs for the DIS and fees of the neutral party shall be borne in equal shares by the Parties. Each Party will bear its own costs associated with the dispute. If (i) the Parties decide not to submit the dispute to the Amicable Dispute Resolution Rules within fifteen (15) days, or if (ii) the dispute has not been settled pursuant to said Rules within sixty (60) days following the filing of a Request for Amicable Dispute resolution, or within such other period as the Parties may agree in writing, such dispute shall be finally settled by the Court of Mannheim.
33.3 To the extent the Purchase Order Conditions do not contain a provision, the statutory provisions of the Federal Republic of Germany shall apply. The competent Court is the Court of Mannheim, Germany.

**Article 34 – Severability**

If any provision of the Purchase Agreement or the application of the Purchase Agreement to any person or circumstance shall to any extent be held invalid or unenforceable by a court of competent jurisdiction or otherwise, then: (a) the remainder of the Purchase Agreement and the application of that provision to persons or circumstances other than those as to which it is specifically held invalid or unenforceable shall not be affected, and every remaining provision of the Purchase Agreement shall be valid and binding to the fullest extent permitted by law, and (b) a suitable and equitable provision in accordance with the purpose of the agreement shall be substituted for such invalid or unenforceable provision.

**Article 35 – Resolution of Conflicts or Inconsistencies**

If Seller discovers any errors, omissions, discrepancies or conflicts in any part of the Purchase Agreement, including these Purchase Order Conditions, it shall immediately inform Westinghouse in writing. Westinghouse shall promptly correct and/or clarify such matters and inform Seller. Westinghouse’s decision shall be binding, and Seller shall proceed with the applicable portion of the Work only after such information has been supplied by Westinghouse. Should Seller fail to contact Westinghouse to resolve any such conflicts or inconsistencies, Seller shall be solely responsible for any errors resulting from any conflicts or inconsistencies occurring in the Purchase Agreement. Where documents are referenced, the issue date in effect as of the date Effective Date of the Purchase Order or Change Notice placement shall be applicable, unless another issue date is specified in the Purchase Order or Change Notice.

**Article 36 – Validity of Contract Terms**

Neither shall the failure of either Party to enforce at any time any of the provisions of the Purchase Agreement be construed as a waiver of such provision nor shall it in any way affect the validity of the Purchase Agreement or the right of either Party to enforce each and every provision.

**Article 37 – Survival of Provisions of the Agreement**

The Parties agree that the provisions of Article 6 – Payment; Article 7 – Taxes; Article 10 – Performance Standards; Seller’s Warranties; Article 11 – Indemnity; Article 12 – Insurance; Article 13 – Liens; Article 14 – Proprietary (Confidential) Information; Article 15 – Ownership of Intellectual Property; Article 17 – Suspension and Termination; Article 18 – Audit Rights and Quality Assurance; Article 21 – Notices; Article 23 – Anti-bribery/Prevention of Kickback; Article 26 – Compliance with Export Control Laws and Regulations; Article 27 – Environment, Health and Safety; Article 28 - Counterfeit and/or Suspect Work, Article 30 – Safety Conscious Work Environment; Article 32 – Governing Law and Venue; this Article 36 – Survival; and any other terms and conditions of the Purchase Agreement that by their context are intended to survive or which are expressly stated to survive shall survive termination, cancellation or expiration of the Purchase Agreement.