#### **CONTRACT**

#### Between

# Westinghouse Electric Sweden AB (WSE)

# And

# **ENPRO Consult OOD**

for

Development of a feasibility study for the licensing and implementation of an advanced type of nuclear fuel for unit 5 and 6 at "Kozloduy NPP" EAD for operation at 3120 MW thermal power",

Contract number

IN 19-029

заличено на осн. чл.2 от 33ЛД

Contract IN 19-029

вярно с оригинала

This contract is made between:

Westinghouse Electric Sweden AB (WSE), a company incorporated and existing under the laws of Sweden having its place of business in SE-721 63, Västerås, Sweden

(hereinafter referred to as "WSE"),

And

ENPRO Consult OOD (ENPRO), a company incorporated and existing under the laws of Bulgaria having its place of business in 1407 Sofia, Cherni Vrah blvd. No 107, Bulgaria

(hereinafter referred to as "ENPRO"),

Both hereinafter referred to as "Party" or "Parties"

#### 1. General and definitions

The Contract is based on mutual trust and co-operation. Therefore, the Contract only covers the most important points of the co-operation and does not explicitly cover all the aspects of such a co-operation.

This Contract is based on the contract between WSE and "Kozloduy NPP" EAD for delivery of Development of a feasibility study for the licensing and implementation of an advanced type of nuclear fuel for unit 5 and 6 at "Kozloduy NPP" EAD for operation at 3120 MW thermal power", Contract number 298000020 including appendices, furthermore referred to as "Kozloduy contract". Except as explicitly mentioned in this contract document (IN 19-029). The Kozloduy contract shall be fully applicable between and valid in its entirety for, ENPRO and WSE. As for the application and interpretation of the Kozloduy contract for the relation between ENPRO and WSE, WSE shall be the "Purchaser" and ENPRO the "Supplier" and the "Parties" shall mean ENPRO and WSE. For the avoidance of doubt, the foregoing shall apply if otherwise is not written under each article in this contract document (IN 19-029) or in Appendix or if it is not obvious from the circumstances that ENPRO, as end-user and operator of Kozloduy, is intended when referring to "Purchaser" or WSE and Kozloduy is intended when referring to "Parties".

ЗДРНО С СОМЕМНАЛА заличено на осн. чл.2 от ЗЗЛД

Contract IN 19-029

ENPRO hereby acknowledge and accepts that it has understood that it is specifically essential for WSE that ENPRO complies with the Kozloduy contract, in particular but not limited to the provisions related to quality assurance, quality control and safety culture.

#### 2. Purpose of the contract

The purpose of this Contract is to agree on the terms and conditions to be applied between the parties to fulfill their respective scope of supply in the Kozloduy contract. The Kozloduy contract was negotiated as a collaborative effort between WSE and ENPRO. The Kozloduy contract was signed by WSE.

#### 3. Contract documentation

The Works shall be delivered in accordance with the terms and conditions specified in this Contract. Wherever referring to the "Contract" the following documents shall be deemed to be included:

- 1. This contract IN 19-029 without appendices
- 2. Appendices to this contract:
  - 2.1 ENPRO scope document BT 19-0108, rev 0 dated 18.01.2019
  - 2.2 Cost input ENPRO dated 23.07.2018 Price break down
  - 2.3 The Kozloduy Contract number 298000020
    - 2.3.1 Kozloduy Contract appendix 2: DM 18-341 Delivery Schedule WSE -ENPRO

Payment milestones in Kozloduy Contract

- 2.4 NDA between the parties IN 19-017
- 2.5 WSE terms and conditions ENPRO IN19-030

The documents shall take precedence in the order they are listed above, starting with number 1

# 4. Validity of the contract

This Contract comes into force when it has been signed by both parties.

#### 5. Communication

ENPRO may have direct contact with Kozloduy NPP as long as WSE Project Manager and Lead Engineer always are copied on the communication.

ВЯРНО С ОРИГИНАЛА заличено на осн. чл.2 от ЗЗЛД

Contract IN 19-029

#### 6. Delivery

ENPRO shall deliver the different work scopes according to the agreed time schedule between ENPRO, WSE and Kozloduy NPP. The document shall be sent to WSE in due time in order for WSE to review before sending to Kozloduy NPP.

#### 7. Payment Schedule

- Milstone1: 50 % of the contract Price after delivery of Nuclear and Core Design reports and acceptance by Kozloduy NPP.
- Milestone 2: 40 % of the contract Price after delivery of Safety assessment reports and acceptance by Kozloduy NPP.
- Milestone 3: 10 % of the Price after delivery of the complete scope from ENPRO and acceptance by Kozloduy NPP of the feasibility study.

#### 8. Invoicing:

WSE PO number must be referenced on invoice. This PO number will be sent to ENPRO separately after signing of this contract

The invoice shall be sent to the following email address:

Sweden-Germany.ap@westinghouse.com

And a copy to:

- Petersson Maria: petersmg@westinghouse.com
- Önneby Carina: onnebyca@westinghouse.com
- Beskow Mårten: <u>beskowm@westinghouse.com</u>

Payment terms: 45 days of payment.

#### 9. Contract Price

Total price: 652 768 EUR (Six hundred fifty-two thousand seven hundred sixty eight euro) without VAT.

According to appendix 3.4 Cost input ENPRO dated 23.07.2018 Price break down

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Contract IN 19-029

# **Counterparts of the Agreement**

This Agreement has been executed in two (2) identical counterparts, one (1) for the WSE and one (1) for the ENPRO.

In witness whereof, the Parties have duly executed this Agreement as of the day and year first above written.

Date: 2017-02-27 Town: Vaskeras

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Name: Aziz Dag

MD

**ENPRO Consult OOD** 

Date: 25.02.2019. Town: Softa

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заличено на осн. чл.2 от 33ЛД

Name: Milan Milanov

**General Manager** 

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BT 19-0108, rev 0 Page 1 of 3

# Memorandum

IN – GNSC / Mårten Beskow

BT/ Jan Höglund +46 21 347514 Telephone

E-mail

hoglunis@westinghouse.com

18.01.2019 Date

Order No

# ENPRO scope for the feasibility study for Westinghouse VVER-1000 fuel to Kozloduy

As a response to Kozloduy NPP's (KNPP) request for quotation referenced as "Technical specification for: Elaboration of technical and economic justification for the licensing and implementation of improved type of nuclear fuel for units 5 and 6 Kozloduy NPP for operation at 3120 MW" Westinghouse Sweden (WSE) has proposed to carry out a feasibility study. The project will be carried out in cooperation with ENPRO as a subcontractor. The ENPRO scope of the feasibility study is described below.

#### 1 **Project Management and Translation Services**

ENPRO will conduct project management of the ENPRO technical scope and coordination of the overall project together with WSE project manager. Customer communication and support will be carried out on as-needed basis to a certain limit defined in the contract between KNPP and WSE.

ENPRO will also carry out translation services between Bulgarian and English for the report deliverables in the project as well as for the implementation of KNPP comments to project reports. The expected amount of pages to be translated is 2000.

#### 2 Conditions for design

The inputs for the feasibility study shall be collected in a "Conditions for Design" document which shall be approved by KNPP and WSE. The work consists of review of input data, preparation of a "Conditions of Design" document. A high level scope description is provided in DM 18-341, Rev. 2 Appendix A1. This scope is shared between ENPRO and WSE.

#### 3 **Nuclear and Core Design**

The nuclear and core design in the feasibility study will be based on the Westinghouse APA-H software package (ALPHA-H/PHOENIX-H/ANC-H). However, for expected third party data proprietary reasons, transition cores with RWFA-13 and TVSA-12 will be calculated by ENPRO with the HELHEX software. A high level scope description is provided in DM 18-341, Rev. 2 Appendix A3 and ENPRO's scope is outlined below.

Copy to: Rebecka Johansson, Carina Önneby, Mariya Trichkova, Ivan Pironkov, Maria Petersson

#### Westinghouse Proprietary Class 2



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ENPRO will carry out core design calculations for RWFA/TVSA 4-year and 5-year cycles with HELHEX. The initial design is performed by WSE with APA-H and ENPRO performs verification calculations with HELHEX and a comparison of APA-H and HELHEX results with the purpose to validate the use of HELHEX for KNPP. The reason is third party data proprietary of TVSA-12. A report for validation and verification of the HELHEX software will be created.

ENPRO will carry out core design calculations for RWFA-13/TVSA-12 4-year and 5-year cycles with HELHEX. The following cases shall be evaluated according to DM 18-341, Rev. 2:

- 4-year mixed core transition cycles of TVSA-12 and RWFA-13 to a full core of RWFA-13. 325 calendar days with 42 feed.
- 5-year mixed core transition cycles of TVSA-12 and RWFA-13 to a full core of RWFA-13. 325 calendar days with 36 feed.

ENPRO and WSE will author and verify the Nuclear and Core Design report.

# 4 Thermal-hydraulic design

The Thermal-Hydraulic (T/H) safety analysis will be performed using the Westinghouse standard thermal design procedure (STDP), or if evaluated to be necessary to gain DNB margin, the Mini-RTDP method.

DNBR calculations in the KNPP homogeneous and mixed cores will be carried out with VIPRE-W using the WVHI/WVLO critical heat flux (CHF) correlations and with transient statepoints calculated with ATHLET or RELAP. ENPRO will provide the transient statepoints.

The thermal-hydraulic design high level scope description is provided in DM 18-341, Rev. 2 Appendix A3 and ENPRO's scope is outlined below.

ENPRO will carry out calculation of input data for the Complete Loss Of Flow (CLOF) and Partial Loss Of Flow (PLOF) transients, namely the CLOF-UF (Under Frequency), PLOF-1/4, and PLOF-2/4 (one or two loops out of operation) transients.

After evaluation by WSE of the most DNBR limiting transient for use in mixed core analysis ENPRO will calculate transient input data for different mixed core configurations of RWFA/TVSA and RFWA-13/TVSA-12.

WSE will author and verify the Thermal-Hydraulic Design report with support from ENPRO.





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# 5 Criticality Margin Assessment

A high level scope description is provided in DM 18-341, Rev. 2 Appendix A5.

WSE will carry out the criticality assessment for the Traveller transport container. The Safety Analyses Report (SAR) for the Traveller contains nuclear criticality safety evaluations that are bounding for both the RWFA and the RWFA-13 fuel designs.

ENPRO will do a criticality assessment for the container for transportation from the non-irradiated fuel storage to the reactor hall for both fuel designs: RWFA and RWFA-13. Calculations with nominal parameters as well as calculations with maximum adverse combination of technological deviations of the parameters will be carried out without accounting for gadolinium content in fuel assemblies.

The criticality margin assessment upon implementation of the TVSA-12 fuel design for unit 6 shows that minimal margin is reached for the container for transportation from the non-irradiated fuel storage to the reactor. Therefore, the scope in the feasibility study will be to analyze this container.

ENPRO will document and verify the document "Criticality margin assessment report for the container for transportation from the non-irradiated fuel storage to the reactor hall".

# 6 Safety Evaluation

The objectives of the safety evaluation are to demonstrate the safe fuel performance and the radiological safety at a postulated Loss Of Coolant Accident (LOCA) and a postulated Reactivity Insertion Accident (RIA). A high level scope description is provided in DM 18-341, Rev. 2 Appendix A6.

For the LOCA evaluation there is a split scope between ENPRO and WSE. The data exchange between codes used for the LOCA analysis is described by Figure A6-1 in DM 18-341, Rev. 2. WSE will perform the TRANSURANUS calculations while ENPRO will carry out the evaluations with RELAP5/MOD3.3, COCOSYS and COSYMA.

The postulated RIA evaluation, which is a control rod ejection analysis, is entirely the scope of ENPRO. ENPRO will also author and verify the "Safety Evaluation Report at postulated LOCA and RIA".

#### 7 Radiological Analyses

The objective of the radiological analysis for the feasibility study is to demonstrate the safety at transportation of spent fuel for both the RWFA as well as for the RWFA-13 fuel designs. A high level scope description is provided in DM 18-341, Rev. 2 Appendix A7.

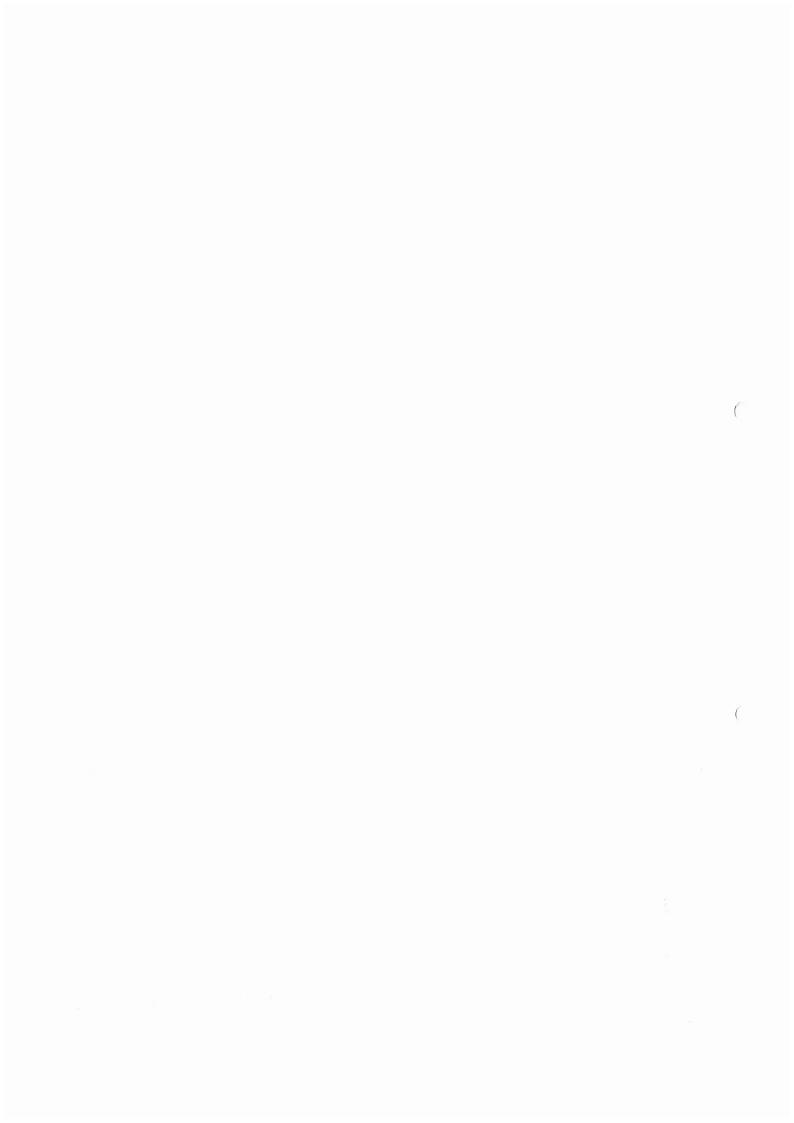
ENPRO will evaluate the radiation characteristics of irradiated RWFA and RWFA-13 fuel assemblies and calculate the dose rate at the surface of the container for transportation of spent fuel outside the KNPP site.

ENPRO will author and verify the "Radiological analyses Report".

# 8 Summary Report

WSE and ENPRO will jointly author and verify the "Final Summary Feasibility Study Report".







# ENPRO CONSULT Ltd



1407 Sofia, Cherni Vrah blvd. Nº 107, phone: (+359 2) 816 74 00; fax: (+359 2) 816 74 10; e-mail: office@enproco.com

	Activity	Comments	Euro, ENPRO part
WSE/ENPRO	Conditions for design		37 296,00
	Preparation of the report in English and Bulagarian	ENPRO and WSE	
WSE/ENPRO	Nuclear and core design		249 396,00
	Core design calculations for RWFA/TVSA 4-year cycle with HELHEX	We propose that the initial design is performed by WSE with APA-H and ENPRO performs verification calculations with HELHEX	
	Core design calculations for RWFA/TVSA 5-year cycle with HELHEX	We propose that the initial design is performed by WSE with APA-H and ENPRO performs verification calculations with HELHEX	
	Comparison APA-H vs. HELHEX results	Input from WSE: results from APA-H calculations + participation in the discussion of the results	
	Preparation of the report in English and Bulgarian	ENPRO and WSE	
	Core design calculations for RWFA- 13/TVSA-12 4-year cycle with HELHEX	The initial design is performed by ENPRO with HELHEX. WSE performs verification calculations for the loadings with only RWFA-13	
	Core design calculations for RWFA- 13/TVSA-12 5-year cycle with HELHEX	The initial design is perform by ENPRO with HELHEX. WSE performs verification calculations for the loadings with only RWFA-13	
	Comparison APA-H vs. HELHEX results	Input from WSE: results from APA-H calculations + participation in the discussion of the results	
	Preparation of the report in English and Bulgarian	ENPRO and WSE	

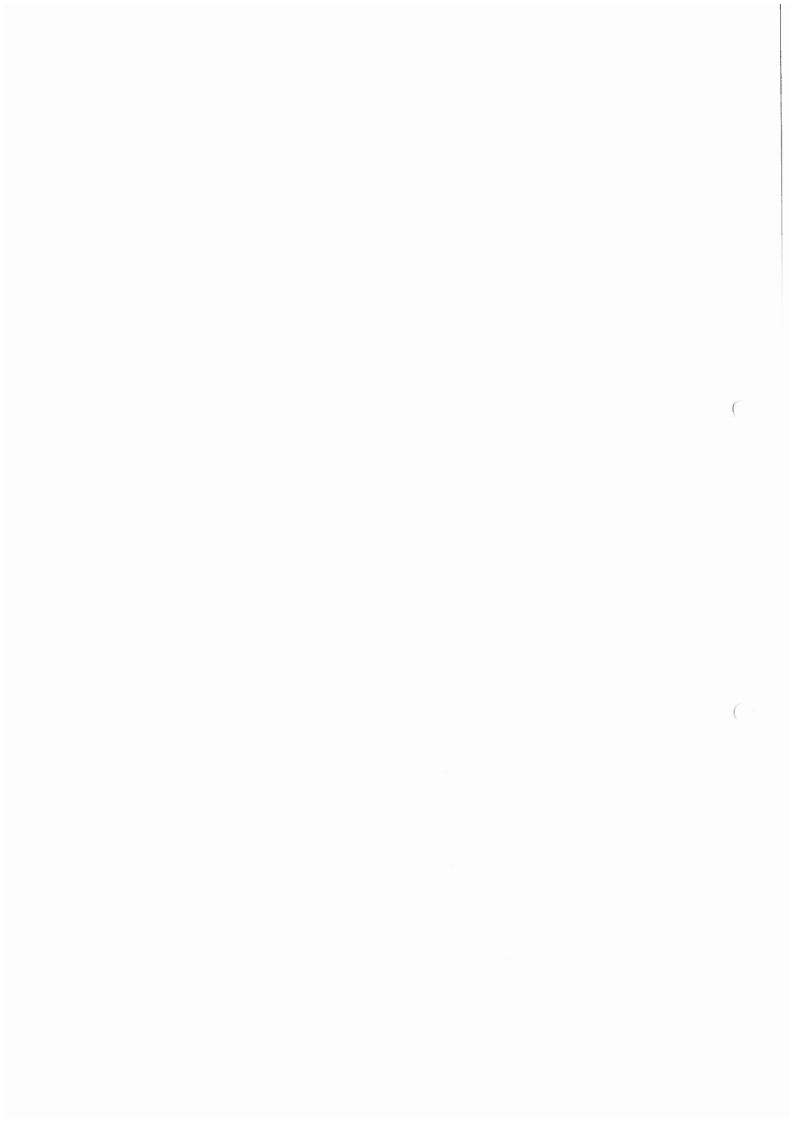
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Comments	Euro, ENPRO part
	35 196,00
ENPRO and WSE (WSE input - transportation container from the	
fabrication plant to the NPP site)	
	39 060,00
	000000000000000000000000000000000000000
	203 320,00
	203 320,00
WSE	203 320,00
하파	Comments  ENPRO and WSE (WSE input - transportation container from the fabrication plant to the NPP site)

	Activity	Comments	END ENIDRO SOL
	COCOSYS calculation for determination of		rais, tier no part
	the source term		
	COSYMA calculation for determination of		
	the radiological consequences		
	Postulated RIA - Control rod ejection		
	Preparation of DYN3D libraries for RWFA		
	and RWFA-13		••
	Calculations with DYN3D		
ENPRO	Translations of WSE reports, printing		25,000,00
	Approximately 2000 pages		
	Project Management		63 500,00
	lotal		652 768,00
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# NON-DISCLOSURE AND RESTRICTED USE AGREEMENT ("Agreement IN19-017")

by and between

Westinghouse Electric Sweden AB,

org. no 556070-6359, a company duly incorporated under the laws of Sweden, with its principal office at 721 63 Västerås, Sweden

and

**ENPRO** Consult Ltd,

org. no 121657107, a company duly incorporated under the laws of Bulgaria, with its principal office at 107, Cherni Vrah Blvd, 1407 Sofia, Bulgaria

- both hereinafter referred to as "Party" or "Parties" -

Effective Date: July 23rd 2018 Expiration Date: December 30th 2023

WHEREAS, the Parties intend to: Technical specification for: Elaboration of technical and economic justification for licensing and implementation of improved type of nuclear fuel for units 5 and 6 Kozloduy NPP for operation at 3120 MW.

(hereinafter defined as "Purpose");

WHEREAS, in the course of such activities it is anticipated that the Parties will disclose to each other certain proprietary information for the Purpose as set forth above, which information the Parties regard as confidential;

NOW THEREFORE, the Parties agree as follows:

- 1. Definitions. "Confidential Information" shall mean any information and data, whether owned by a Party, its Affiliates or a third party, including but not limited to any kind of business, commercial or technical information and data disclosed between the Parties, such disclosure made by either a Party or a Party's Affiliate ("Discloser") to the other Party ("Recipient"), in connection with the Purpose of this Agreement, irrespective of the medium in which such information or data is embedded. Confidential Information shall include any copies or abstracts made thereof as well as any modules, samples, prototypes or parts thereof.
- "Affiliate" means any legal entity which, at the time of disclosure to it of any Confidential Information, is directly or indirectly controlling, controlled by or under common control with any of the Parties.
- 2. Manner of disclosure. Any Confidential Information disclosed in tangible form, orally or visually, shall be marked as "Confidential", "Proprietary" or with a similar legend by the Discloser prior to disclosure or otherwise be understood to be confidential.
- 3. Restrictions. All Confidential Information delivered pursuant to this Agreement shall
- (a) be used by the Recipient only for the sole Purpose of this Agreement, unless otherwise expressly agreed to in writing by the Discloser; and
- (b) not be distributed, disclosed, or disseminated in any way or form by the Recipient to anyone except its own or its Affiliates' employees, who have a reasonable need to know such Confidential Information and who are bound to confidentiality by their employment agreements or otherwise not less stringent than under the obligations of this Agreement; and
- (c) be treated by the Recipient with the same degree of care to avoid unauthorized disclosure to any third party as with respect to the Recipient's own confidential information of like importance but with no less than reasonable care.
- 4. Export Control. The Recipient further agrees not to disclose, directly or indirectly, transfer, export, or re-export any Confidential Information, or any direct products or technology resulting therefrom to any country, natural person or entity, except in accordance with applicable export control laws, specifically the E.U. (including but not limited to the European Community, EC 428/2009), U.S. and other applicable government export control laws and regulations ("Applicable Export Laws").

ВЯРНО С ОРИГИНАЛ

заличено на осн. чл.2 от 33ЛД To assure compliance with the Applicable Export 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 U.S. Department of Commerce export regulations of commercial or dual use-technology under 15 C.F.R. 730 et seq., and the U.S. Department of Treasury's sanctions programs and sanctions lists, the Recipient shall not disclose or permit the disclosure, transfer, export, or re-export, directly or indirectly, any Confidential Information it receives hereunder, or any product or technology derived from such Confidential Information without the prior written permission of the Discloser, which may be contingent on additional United States Government and/or other government approvals.

The Recipient represents and warrants that:

(i) neither Recipient 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 E.U., U.S. and other countries of persons and entities whose export or import privileges have been denied or restricted,
 (ii) Recipient will not use the Confidential Information in any activity prohibited by 15 CFR Part 744, including without limitation nuclear, chemical, or biological weapons proliferation activities, and
 (ii) Recipient will not disclose Confidential Information to any countries for which the E.U., U.S. and other applicable governments and international organizations maintain an embargo or to citizens or residents thereof if prohibited by such embargo.

The Recipient shall fully comply with all such Applicable Export Laws with regards to the Confidential Information it receives hereunder and shall cooperate in good faith with the reasonable requests of the Discloser made for purposes of its compliance with such laws and regulations. Notwithstanding any other provisions in this Agreement, the obligations set forth in this Section 4 shall be binding on the Parties so long as the relevant Applicable Export Laws are in effect.

- Exceptions. The obligations as per Section 3 shall not apply to any Information which the Recipient can prove,
- (a) is at the time of disclosure already in the public domain or becomes available to the public through no breach by the Recipient of this Agreement, except that Confidential Information shall not be deemed to be in the public domain merely because any part of the Confidential Information is embodied in general disclosures or because individual features, components or combinations thereof are now or become known to the public:
  - (b) is received by the Recipient from a third party free to lawfully disclose such information to Recipient;
- (c) was in the Recipient's lawful possession prior to receipt from the Discloser as evidenced by written documentation:
- (d) is independently developed by the Recipient without the benefit of any of the Confidential Information as evidenced by written documentation;
  - (e) is approved for release by written agreement of the Discloser;
- (f) is required to be disclosed to comply with legal mandatory regulations, a judicial or official order or decree, provided that written advance notice of such judicial action was timely given to the Discloser.
- 6. Refusal. Either Party shall have the right to refuse to accept any information under this Agreement prior to any disclosure and nothing herein shall obligate either Party to disclose any particular information.
- 7. No license. It is understood that no license or right of use under any patent or patentable right, copyright, trademark or other proprietary right is granted or conveyed by this Agreement. The disclosure of Confidential Information and materials shall not result in any obligation to grant the Recipient any rights therein.
- 8. Publication. Before publishing any results or information relating to the Purpose, Recipient shall acquire the prior written approval from Discloser.
- 9. No remuneration, warranty or liability. The Parties are not entitled to any remuneration for disclosure of any information under this Agreement. No warranties of any kind are given and no liability of any kind shall be assumed with respect to such information or any use thereof, nor shall the Discloser indemnify the Recipient against or be liable for any third party claims with respect to such information or any use thereof. The Parties shall have no obligation to enter into any further agreement with each other regarding the Purpose.
- 10. Termination. This Agreement has an Effective Date and an Expiration Date as specified above. Prior to the Expiration Date, this Agreement may be terminated with respect to further disclosures upon thirty (30) days prior notice in writing. The obligations accruing prior to termination as set forth herein, shall, however, survive termination or expiration of this Agreement.
- 11. Ownership, Return. All Confidential information exchanged between the Parties pursuant to this Agreement, shall remain the property of the Discloser, and along with all copies thereof, shall upon respective

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request of the Discloser either be returned to the Discloser or be destroyed by the Recipient after termination of this Agreement. Such request shall be notified in writing by the Discloser to the Recipient within ninety (90) days after termination of this Agreement. In case of destruction, the Recipient shall confirm in writing such destruction to the Discloser.

- 12. No assignment. This Agreement may not be assigned by either Party without the prior written consent of the other Party.
- 13. Written form. The provisions of this Agreement may not be modified, amended, nor waived, except by a written instrument duly executed by the Parties hereto. The requirement of written form itself can only be waived by mutual written agreement.
- Notwithstanding an action for injunction or other equitable remedy which may be 14. Dispute resolution. sought from any court of competent jurisdiction, any dispute, controversy or claim arising out of or in connection with this Agreement, or the breach, termination or invalidity thereof, shall be finally settled by arbitration administered by the Arbitration Institute of the Stockholm Chamber of Commerce (the "SCC").

The Rules for Expedited Arbitrations shall apply, unless the SCC in its discretion determines, taking into account the complexity of the case, the amount in dispute and other circumstances, that the Arbitration Rules shall apply. In the latter case, the SCC shall also decide whether the Arbitral Tribunal shall be composed of one or three arbitrators. The arbitrators shall be bound to rule in accordance with the Governing Law and shall issue their opinion in writing setting forth the reasons therefore. Each party shall pay its own expenses, and the parties shall share equally the compensation and expenses of the arbitrators. The arbitration procedures shall be covered by confidentiality.

The seat of arbitration shall be Stockholm, Sweden. The language to be used in the arbitral proceedings shall be English.

15. Governing law. This Agreement shall be governed by the substantive law of Sweden without reference to its conflicts of law provisions.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their duly authorized representatives on the dates specified below.

**ENPRO Consult Ltd.** 

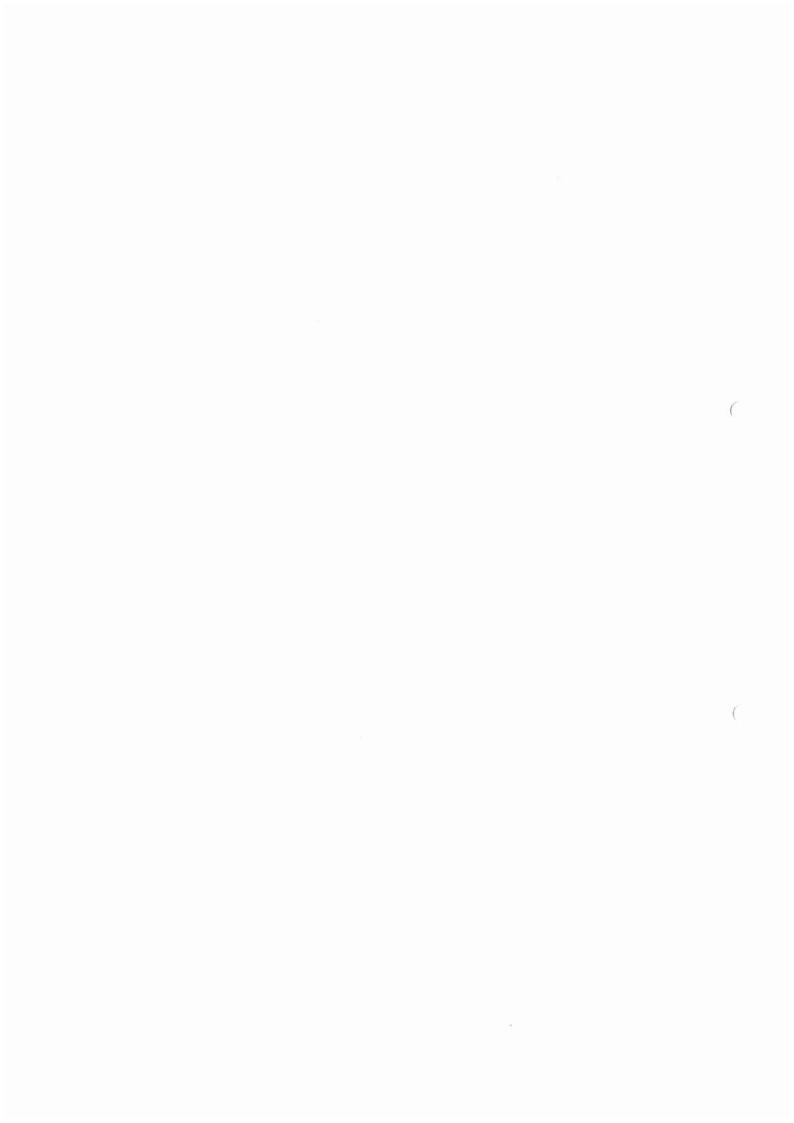
заличено на осн. чл.2 от Ву: 33ЛД Name: Milan Milanov Title: General Manager

Westinghouse Electric Sweden AB

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Name: A212 Dag Name: Title:

ВЯРНО С ОРИГИНАЛА



# WESTINGHOUSE ELECTRIC SWEDEN AB TERMS AND CONDITIONS

#### FOR

#### **PURCHASE OF MATERIALS AND SERVICES**

#### Article 1 - Acceptance and Authority

- 1.1 The purchase order ("Purchase Order") together with these Terms and Conditions, hereby provided to Seller, collectively constitute a binding agreement (the "Purchase Agreement") between Westinghouse Electric Sweden AB acting through its supply chain management organization ("Westinghouse") and Seller (as shown on the face of the Purchase Order) and applies to all purchases by Westinghouse from Seller of Materials and Services (as each is defined below).
- **1.2** In the event of any conflict between the Purchase Agreement and any other document or instrument submitted by Seller, the Purchase Agreement will govern.
- **1.3** Westinghouse expressly limits acceptance of the Purchase Agreement to the terms stated herein. Any additional, different, or inconsistent terms or conditions contained in any form, acknowledgment, acceptance, or confirmation used by Seller in connection with the implementation of the Purchase Order are hereby objected to and rejected by Westinghouse.
- 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.

#### Article 2 - Definitions

For purposes of the Purchase Agreement, the following defined terms 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 document, issued by Westinghouse to Seller to make changes to, additions to and/or deletions from the Work.

"Day" means a calendar day and includes Saturdays, Sundays and public holidays.

"Disclosing Party" means the Party disclosing Proprietary Information to the other Party.

"Documentation" means all information, data, drawings, studies, reports, evaluations, designs, records, forms, manuals, reviews, procedures, specifications, plans, and all other documentation, including all required labor, transportation, packaging, storage, design, drawing, creating, engineering, procurement, and licenses to intellectual property therefore, that are produced or acquired by Seller for or at the direction of Westinghouse and specified as deliverables (required submittals) in the Purchase Order.

т&с ENPRO IN19-030 ВЯРНО С ОРИГИНАЛА

"Effective Date" shall mean the effective date identified on the signature page of the Purchase Order.

"Materials" means the machinery, goods, materials, components, equipment, computer hardware and its associated software and firmware, apparatus, components, incidentals or other items of any kind that are described in the Purchase Agreement, including all required labor, manufacturing, transportation, packaging, storage, design, drawing, creating, engineering, procurement, and licenses to intellectual property therefor.

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

"Proprietary Information" means the terms of the Purchase Agreement and any and all information, data, software, matter or thing of a secret, proprietary, confidential or private nature identified as confidential and/or proprietary information or the like by the Disclosing Party, relating to the business of the Disclosing Party, including matters of a technical nature (such as 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.

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

"Quality Assurance Program" means a written program covering, as applicable to the Work, the design, procurement, manufacturing, erection, testing and inspection of the Work, consistent with its nuclear safety or quality classification, and meeting the requirements of Article 18 – Audit Rights and Quality Assurance.

"Receiving Party" means the Party receiving Proprietary Information from the other Party.

"Services" means all services that are performed by Seller as described in the scope of Work, including, as applicable, technical support for installation, maintenance, repair, commissioning and testing of the Materials, training, consulting, and any other services necessary to fulfill Seller's services obligations under the scope of Work.

"Subcontractor" means one of Seller's subcontractors or suppliers of any tier 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.

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

"Work" means all work, including Materials, Services and Documentation supplied by Seller under the Purchase Agreement.

#### Article 3 - Authority and Communication

- **3.1** Seller acknowledges that only an authorized representative of Westinghouse Electric Sweden AB is authorized to enter into the Purchase Agreement on behalf of Westinghouse.
- 3.2 All written communications must be directed to Westinghouse's supply chain management representative. Seller is permitted to communicate with Westinghouse's Engineering or Quality Assurance personnel on technical or quality matters only. Any agreements resulting from such communications shall be binding on Westinghouse and Seller only if documented by Westinghouse's Change Notice.



#### Article 4 - Order of Precedence

Any terms and conditions in Seller's quotation if referenced in any Westinghouse Purchase Order or Purchase Agreement, which are in addition to or inconsistent with the terms and conditions contained in the Westinghouse Purchase Order or Purchase Agreement are not applicable.

# Article 5 – Testing and Inspection of Work (Inspection and Acceptance of Work)

- 5.1 All Work in progress (including Work performed by Subcontractors) shall be subject to inspections and tests as Westinghouse may direct and may be performed by Westinghouse, Westinghouse's customer or representatives of either. If inspections and tests are made on Seller's (or Subcontractors) premises, Seller shall furnish, at no additional charge, facilities and assistance for safe and convenient inspections and tests. Seller shall provide Westinghouse and Westinghouse's customer or their representatives with access to plant, facilities and records of Seller and its Subcontractors for inspection. Seller shall promptly correct all nonconforming Work at its sole expense.
- **5.2** No inspection or observance of any inspection or testing 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 an approval or acceptance of the Work.

# Article 6 - Payment

- 6.1 Westinghouse shall pay an undisputed invoice within 45 Days of receipt of such invoice by Westinghouse. Payment of any invoice shall not constitute approval or acceptance of any Work; shall not be evidence of satisfactory performance of the Work in whole or in part; shall not be construed to be acceptance of defective or nonconforming Work; and shall not relieve Seller of any of its obligations under the Purchase Agreement. Westinghouse has the right to withhold all or any portion of any payment to Seller to the extent as may be necessary to protect Westinghouse from loss due to Seller's failure to fulfill any obligations under the Purchase Agreement.
- **6.2** Westinghouse may set off any sums due and payable by Seller to Westinghouse under the Purchase Agreement against any payments due to Seller.
- 6.3 Seller shall reference the Purchaser Order by number on any invoice issued to Westinghouse.



#### Article 7 – Liquidated damages for delay

- 7.1 If the Work or any part thereof is not delivered at the agreed time for delivery, Westinghouse shall be entitled to liquidated damages from the date on which delivery should have taken place. The Work shall be deemed delivered when the Seller has completed delivery of the Work in accordance with the agreed trade term, if applicable, and when the Seller has also completed its other obligations under the Purchase Agreement which shall be fulfilled before delivery. The liquidated damages shall be payable at a rate of 1.0 per cent of the purchase price for each commenced week of delay. The liquidated damages shall not exceed 10 per cent of the purchase price.
- **7.2** If the delay in delivery is such that Westinghouse is entitled to maximum liquidated damages, or if it is clear from the circumstances that such delay will occur, and if the Work or any delayed part thereof is still not delivered, Westinghouse may in writing demand delivery within a final reasonable period. If the Seller does not deliver within such final period, then Westinghouse may by notice in writing to the Seller terminate the Purchaser Agreement.
- 7.3 In addition to liquidated damages, Westinghouse shall be entitled to compensation for the loss he suffers due to Seller's delay to the extent the loss exceeds the maximum of liquidated damages he may claim under this Article.

#### Article 8 - Changes

- **8.1** The Purchase Agreement may not be changed, amended, waived or modified except upon the prior written authorization of Westinghouse, acting pursuant to Article 3 above.
- 8.2 Westinghouse may make changes in the Work by written Change Notice, and Seller shall promptly comply with such Change Notice. If the change materially affects Seller's cost or time for performance, the terms of the Purchase Agreement will be equitably adjusted in writing. 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 - Schedule Requirements

The Parties agree that the performance and delivery schedules, both general and detailed, attached to or referenced in the Purchase Order are incorporated in the Purchase Agreement as an integral part of the Purchase Agreement and, but for Seller's agreeing to meet the performance and delivery schedule set forth in the Purchase Agreement, Westinghouse would not have entered into the Purchase Agreement. Any change in the schedule shall only be made by a Change Notice as set forth in Article 8 and a signed written agreement executed by an authorized representative of both Parties.

#### Article 10 – Performance Standards; Seller's Warranties

#### 10.1 Materials Warranty.

- (a) Seller warrants that the Materials furnished by it under the Purchase Agreement (i) shall be free from defects in design, workmanship 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)** All such Materials shall be warranted by Seller for 24 months from the date such Materials are placed in service by Westinghouse or four years after acceptance by Westinghouse, whichever first occurs. Seller shall correct any nonconformance at its sole expense, as directed by Westinghouse, by promptly: (i) repairing or replacing the non-conforming Materials (and correcting any plans, specifications or drawings thereby affected) in a



timely manner; (ii) furnishing Westinghouse any materials, parts and instructions necessary to enable Westinghouse or its customer to correct or have corrected the nonconformity, or (iii) refunding the purchase price, or an appropriate portion thereof, to Westinghouse.

(c) The warranty, with respect to any corrected Materials, shall be extended to one year from the date of repair or replacement or as stated in paragraphs (a) and (b) above, whichever is later.

#### 10.2 <u>Services Warranty</u>.

- (a) Seller warrants that Services furnished by it under the Purchase Agreement (i) shall reflect the highest standards of professional knowledge and judgment, (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 correct any nonconformity with this warranty at its sole expense, as directed by Westinghouse, by promptly: (i) re-performing the non-conforming Services, or (ii) refunding the Purchase Price or appropriate portion thereof to Westinghouse.
- (c) The warranty, with respect to any corrected Services, shall be extended to one year from the date of re-performance of Services or as stated in paragraphs (a) and (b) above, whichever is later.

#### 10.3 <u>Compliance Warranty</u>.

- (a) Seller warrants that:
- (i) Seller has and will maintain any permits, licenses, registrations or other governmental approvals, including required export licenses or other approvals to meet the specified delivery obligations herein, which may be required for its performance under the Purchase Agreement. Seller shall comply with all such permits and with all applicable executive orders and laws of the location in which the Materials will be produced or Services performed as well as all rules, orders, requirements and regulations thereunder;
  - (ii) Seller shall comply with all applicable laws, codes and standards; and
- (iii) while upon the premises of Westinghouse or Westinghouse's customer, Seller shall comply with all applicable site rules and policies;
- **(b)** Seller shall correct any nonconformity with this warranty at its sole expense, as directed by Westinghouse.

#### 10.5 <u>Warranty Beneficiaries.</u>

The foregoing warranties shall extend to, and be for the benefit of Westinghouse and Westinghouse's customers.

#### Article 11 - Indemnity

Seller shall defend, indemnify and hold harmless Westinghouse and its officers, agents, employees, successors and assigns from and against any and all liabilities, damages, costs, losses, claims, demands, actions, and expenses (including reasonable attorney fees) arising out of, resulting from, or relating to the Purchase Agreement or the Work or performance of the Work, including but not limited to loss of use resulting therefrom, acts or omissions in violation of applicable laws, claims or fines by governmental authorities, and resulting from the death of or injury to



any person or damage to any property, except to the extent caused by the negligence or willful misconduct of Westinghouse.

#### Article 12 - Insurance requirements

- **12.1** <u>Seller's Insurance Requirements</u>. Seller shall, during the performance of the Work, maintain insurance.
- 12.2 <u>Provisions Applicable to All Coverages.</u>
- (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.
- (c) 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.
- (d) 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.
- **(e)** 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.
  - (f) Any limits of coverage may be met by one or more policies.

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(a)

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#### 13 - 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 14 - Proprietary (Confidential) Information

- 14.1 <u>Previous Agreements Superseded.</u> The terms of this Article 14 will prevail in the event of conflict with any previous proprietary or confidentiality agreement executed by Westinghouse and Seller for the purposes described in Section 14.2 below.
- 14.2 <u>Purpose of Use.</u> 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 <u>Prevention of Unauthorized Disclosure</u>. The Receiving Party shall employ all reasonable commercial efforts and precautions to maintain the Proprietary Information received under the Purchase Agreement in strict confidence and to prevent loss or unauthorized disclosure of the Proprietary Information.
- 14.4 <u>Disclosure to Third Parties</u>. Westinghouse shall have the right to disclose Proprietary Information to Westinghouse's customer and to Westinghouse's parent and subsidiary companies and companies under common control. Otherwise, a Receiving Party shall disclose the Proprietary Information only to 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 Proprietary Information to any other person, firm or company without the prior written approval of the Disclosing Party.
- 14.5 <u>Disclosure Required by Law or Order</u>. If the Receiving Party becomes legally compelled to disclose any Proprietary Information, the Receiving Party shall provide the Disclosing Party with prompt written notice. The Receiving Party shall disclose only the minimum amount of Proprietary Information that is legally required and shall exercise 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 will not apply to any Proprietary Information that is:
- (a) at the time of disclosure generally known or readily available to the trade or public or becomes so known or readily available without 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 - Ownership of Intellectual Property

- 15.1 Westinghouse Background Information.
  - (a) "Westinghouse Background 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.
  - **(b)** All Westinghouse Background 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.



- (c) Westinghouse hereby grants Seller a license on a non-exclusive and royalty-free basis to use and modify the Westinghouse Background Information solely for the purpose of providing the Work to Westinghouse.
- (d) Westinghouse shall own all right, title and interest in any and all modifications made by Seller to Westinghouse Background Information.

#### **15.2** Seller Background Information.

- (a) "Seller Background 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 the Foreground Information.
- **(b)** All Seller Background 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 Background 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, have used, copy, modify, have modified, create derivative works of, store electronically and sublicense Seller Background 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 Background Information unless precluded by third-party license restrictions.

#### 15.3 <u>Foreground Information.</u>

- (a) "Foreground Information" 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 right, title and interest in all Foreground Information, including all associated intellectual property rights therefor (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 Foreground Information 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 Foreground Information, including by making any assignments of ownership that may be required by Westinghouse.



#### 15.4 <u>Third-Party Information</u>.

- (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 <u>Documentation.</u>

- (a) Subject to Section 15.2 above, Westinghouse shall own all right, title and interest 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 at no out-of-pocket expense to Seller.
- (c) For Documentation containing no Seller Background Information or Third-Party Information, Seller shall clearly mark such Documentation with the notation "Westinghouse Proprietary Class 2" unless otherwise directed by Westinghouse.
- (d) For Documentation that contains Seller Background Information and/or Third-Party Information, Seller shall clearly mark and identify such Seller Background Information and/or Third-Party Information, if possible, and shall mark such Documentation with a notation that states, "This document contains [Seller's] proprietary information and [Westinghouse's] proprietary information, and it shall be treated in accordance with the agreement under which it was provided."
- **(e)** For Documentation that is manifested or transmitted electronically, such marking(s) shall first appear on the computer screen when accessing the file in which it is recorded.
- (f) Documentation submitted without any markings as required above shall be deemed to contain no Seller Background 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; Risk of Loss; Delivery

16.1 <u>Transfer of Title</u>. Title to an item of Materials furnished under the Purchase Agreement as all or part of the Work shall pass to Westinghouse upon the earlier of (a) payment in full by Westinghouse to Seller for such item; or



(b) delivery of such item to Westinghouse. While Seller has any Materials in its possession that are owned by Westinghouse or in which Westinghouse holds in 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. 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 Purchase Agreement.

- 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 <u>Delivery</u>. Unless otherwise specified in the Purchase Order, any deliveries shall be DDP at the place of delivery designated in this Purchase Order (Incoterms ©2010).

#### Article 17 - Termination and Suspension

Westinghouse may terminate or suspend the Purchase Agreement for its convenience, 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 over the market price at the time of termination, and (2) in the case of uncompleted items or raw or semi-processed materials, Westinghouse shall, 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 on firm order, Westinghouse shall, at its option, either take an assignment of Seller's right under such order or pay the costs, if any, of settling or discharging 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 default: (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 or reorganization proceedings. In the event Westinghouse terminates the Purchase Agreement, in whole or in part, for default, Westinghouse shall be entitled to all rights and remedies provided by law.

# Article 18 - Audit Rights and 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 as far as legally possible, 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 financial records and procedures adhere to generally accepted accounting practices ("GAAP"/"god redovisningssed") and principles.
- 18.2 Seller represents that it has established and implemented a Quality Assurance Program. Seller represents that the Quality Assurance Program meets Westinghouse's compliance requirements and the applicable requirements of the authorities related to quality control and quality assurance. Seller shall, at its sole cost and expense, provide Westinghouse with a copy of the quality assurance manuals applicable to the Work.
- 18.3 Westinghouse shall, at its sole cost and expense, have access to Seller's manufacturing facilities where the Work is being performed for the purpose of quality assurance surveillance, the witnessing of the general performance of the Work and participating in specific witness 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 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 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 method of correcting the nonconformance. 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 retain the applicable quality control records 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 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, as far as legally possible, from all financial and related records relating to or pertaining to this agreement kept by or under the control of Supplier and/or 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 proprietary information to performance of the audit services and prohibiting 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 - Control of the Work; Independent Contractor

- **19.1** Control 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 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. Terms and economic conditions in the Purchase Agreement have been drafted under these conditions, and the Seller shall therefore never be deemed to be an employee, dependent agent, commission agent, commercial agent or similar in relation to Westinghouse. Neither shall the aforementioned legal entities be applied analogously to the Seller's rights after the termination of the Purchase Agreement. The Seller shall therefore not be entitled to compensation from Westinghouse when the Purchase Agreement is terminated, due to such grounds or any other ground.

#### Article 20 - Subcontracting and Assignment

Seller shall not subcontract any portion of the Work without prior written approval of Westinghouse. On the assumption that the Seller might subcontract all or part of the supplies, he shall, impose on his own Subcontractors the same obligations as those defined in these conditions. In any event, the Seller shall alone be responsible to us for the entire supplies.

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: (a) delivered in person or dispatched by certified mail (return receipt requested) to Westinghouse, or (b) delivered by electronic mail to Westinghouse, provided that the tracking option on such electronic mail is enabled to provide both a delivery receipt and a read receipt from the addressee (i.e., the sender will receive a return acknowledgement that the electronic mail has been received and read by the addressee).

#### 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/Kickback

Seller represents, warrants and covenants that neither it nor any of its officers, directors, employees, agents, representatives or Subcontractors on its behalf will either make or promise to make any gift or payment of money or anything of value, directly or indirectly, to any other person for the corrupt purpose of inducing such other person to misuse his or her position or to influence any act or decision to obtain, retain or direct business 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 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 The Seller hereby undertakes to reimburse Westinghouse for any compensation and damages which Westinghouse has been obliged to pay through settlement or judgment for infringement of intellectual property rights stemming from the use of the Work.

In the event that a third party claims an infringement, Westinghouse shall inform the Seller thereof and the Seller shall, if Westinghouse so requests, at his own expense take over the dispute and pursue the case on Westinghouse behalf, and at his own expense either ensure Westinghouse, or other to whom Westinghouse has assigned the Work, the right to continued use of the Work or replace the disputed part of the Work with a part that conforms to the agreed specifications. If continued use of the Work is possible during the dispute, the Seller shall provide security for the loss which Westinghouse might come to incur on account of the claimed infringement.

Westinghouse shall be entitled to terminate this Purchase Agreement by written notice to the Seller if the Seller does not remedy an intellectual property defect within a reasonable time from the point in time when the Seller received notice from Westinghouse that a third party has claimed infringement.



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In addition to compensation for sums which Westinghouse was compelled to pay to a third party, Westinghouse shall be entitled to compensation for all other damage and loss suffered due to an intellectual property defect.

#### Article 25 - Westinghouse-Furnished Property

- 25.1 Any tools, patterns, equipment, material or other property which is supplied to Seller by Westinghouse ("Westinghouse-Furnished Property") shall not be used by Seller on any other work without the prior written consent of Westinghouse.
- 25.2 Title to Westinghouse-Furnished Property shall remain with Westinghouse. Seller shall segregate and clearly mark Westinghouse-Furnished 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 Westinghouse-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-Furnished 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-Furnished 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 any and all claims relating to loss, damage, injury or delay arising out of or related to Westinghouse-Furnished Property and Seller shall indemnify Westinghouse against any and all liability for damage to property or injury to or death of persons arising from or incidental to the presence or use of Westinghouse-Furnished Property, whether such damage, injury or death be caused by defects in such property, negligence in the use thereof, strict liability or otherwise.

# Article 26 - Export Control/Government Requirements

The Seller agrees not to disclose, transfer, export, or re-export, directly or indirectly, any and all Westinghouse furnished items, including but not limited to proprietary information, technology, materials, equipment, spare parts, services, deliverables, training, training materials, 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 Westinghouse, 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 Westinghouse 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 Westinghouse. Subject to Article 14, the Seller may transfer or re-export Items to approved affiliates and subsuppliers provided that such recipients are located in the same country as the Seller or Westinghouse 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 Westinghouse 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 this Article 27.
- 27.2 Seller warrants that each chemical substance constituting or contained in Materials sold or otherwise transferred to Westinghouse is suitable for use and/or transport in any 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 and is listed on or in: A) the list of chemical substances compiled and published by the Administrator of the U.S. Environmental Protection Agency pursuant to the U.S. Toxic Substances Control Act ("TSCA") (15 U.S.C. § 2601), also known as the TSCA Inventory, or exempted from such list under 40 CFR 720.30-38; B) the Federal Hazardous Substances Act (P.L. 92-516) as amended; C) the European Inventory of Existing Commercial Chemical Substances ("EINECS") as amended; D) the European List of Notified Chemical Substances ("ELINCS") and lawful standards and regulations thereunder; or e) any equivalent or similar lists in any other 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 Materials 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 each case, Seller shall timely provide Westinghouse with supporting documentation, including without limitation, 1) pre-registration numbers for each substance; 2) the exact weight by weight percentage of any REACH Candidate List (defined below) substance constituting or contained in the Materials; 3) all relevant information that Westinghouse needs to meet its obligations under REACH to communicate safe use to its customers; and 4) the documentation of the authorization for Westinghouse's use of an Annex XIV substance. 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 their registration deadline. 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 own obligations under REACH.

- 27.4 Seller warrants that none of the Materials sold or transferred to Westinghouse contain any: 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 ("PCBs"), polybrominated biphenyls ("PBBs"), polybrominated diphenyl ethers ("PBDEs"); B) chemical or hazardous material otherwise prohibited pursuant to Section 6 of TSCA; C) chemical or hazardous material otherwise restricted 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 ("CFCs") 11-13, 111-115, 211-217); E) substance listed on the REACH Candidate List, subject to authorization and listed on Annex XIV of REACH, or restricted under Annex XVII of REACH; or F) other chemical or hazardous material the use of which is restricted in any other 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, unless with regard 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 chemicals or hazardous materials in the Materials 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 likely will 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 the request of Westinghouse and treating or otherwise managing them in accordance with the requirements of applicable Take-Back Legislation; B) take back as of the date of the Purchase Agreement 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.

ВЯРНО С ОРИГИНАЛА

- 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.
- 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.
- **27.10** Seller warrants that all of the Materials furnished under the Purchase Agreement have been completely and accurately labeled pursuant to the requirements of 40 CFR Part 82, "Protection of Stratospheric Ozone" or that the Materials do not require such labeling.

#### Article 28 - Counterfeit and/or Suspect Work

Counterfeit/Suspect Work ("CSW") refers to goods that may be (1) mis-labeled 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 seller. All CSW are presumed to be not in conformance with the requirements of this Purchase Agreement.



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.

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 this Purchase Order; 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.

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 this 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.

#### Article 29 - Reserved

#### 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 Sellers 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.
- Notice of Seller's Personnel Concerns. Seller shall promptly (but in no event later than 5 working days) notify Westinghouse after any concern is received by the Seller or brought to the Seller's attention from Seller's personnel (or former personnel) or the personnel (or former personnel) of its lower tier suppliers or subcontractors of an allegation in connection with the work of discrimination or retaliation related to raising safety or quality concerns. Moreover, Seller shall promptly and aggressively investigate, or shall ensure that its lower-tier supplier or subcontractor promptly and aggressively investigates, any and all allegations that include a charge that any Seller or



its lower tier supplier or subcontractor personnel (or former personnel) have been discriminated or retaliated against for raising safety or quality concerns, shall cooperate fully with Westinghouse to assure a complete investigation of such allegation, including providing Westinghouse with any [non-privileged] information that it includes in any report it may prepare or which may be prepared by the applicable government authorities, and shall provide Westinghouse with a full written description of any action which may be taken in response to any such allegation or complaint.

- 30.3 <u>Further Information; Audit</u>. 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.
- Material Breach. Any breach of these provisions shall be deemed a material breach of the Purchase Agreement. In the event that any applicable government authority imposes a fine or penalty against Westinghouse or Westinghouse's Customer as a result of Seller's breach of these provisions, such fine or penalty may be considered by the Parties to be direct damages and not consequential, special or indirect damages under this Purchase Agreement.
- **30.5** <u>Flow-Down Requirement</u>. Seller shall include the foregoing provisions into each of its lower-tier contracts or subcontracts for the performance of nuclear safety or quality work in connection with the Contract, and Seller shall be responsible for ensuring compliance by its lower-tier sellers and subcontractors.

#### Article 32 - Governing Law and Venue

Notwithstanding an action for injunction or other equitable remedy which may be sought from any court of competent jurisdiction, any dispute, controversy or claim arising out of or in connection with this Purchase Agreement, or the breach, termination or invalidity thereof, shall be finally settled by arbitration in accordance with the Arbitration Rules of the Arbitration Institute of the Stockholm Chamber of Commerce. Arbitration shall take place in Stockholm, Sweden before three arbitrators appointed under the Rules and shall be conducted in the English language. The arbitrators shall be bound to rule in accordance with the Governing Law and shall issue their opinion in writing setting forth the reasons therefore. Each party shall pay its own expenses, and the parties shall share equally the compensation and expenses of the arbitrators. The arbitration procedures shall be covered by confidentiality.

This Purchase Agreement shall be governed by the laws of Sweden, without regard to its provisions for choice of laws or conflicts of laws, and shall not be governed by the United Nations Convention for the International Sale of Goods.

#### Article 33 - 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 shall be substituted for such invalid or unenforceable provision in order to carry out, so far as may be valid and enforceable, the intent and purpose of such invalid or unenforceable provision.

#### Article 34 - Resolution of Conflicts or Inconsistencies

If Seller discovers any errors, omissions, discrepancies or conflicts in any part of the Purchase Agreement, including these Terms and Conditions, it shall immediately so inform Westinghouse in writing. Westinghouse shall promptly correct and/or clarify such matters and so 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 35 - No Waiver

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 36 - Survival

The Parties agree that the provisions of Article 6 – Payment; Article 10 – Performance Standards; Seller's Warranties; Article 11 – Indemnity; Article 12 – Insurance; Article 14 – Proprietary (Confidential) Information; Article 15 – Ownership of Intellectual Property; Article 17 – Termination and Suspension; Article 18 – Audit Rights and Quality Assurance; Article 21 – Notices; Article 23 – Anti-bribery/Kickback; Article 26 – Export Control/Government Requirements; Article 27 – Environment, Health and Safety, Article 28 - Counterfeit and/or Suspect Work, Article 30 – Safety Conscious Work Environment (SCWE); 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 or limit the liability of Westinghouse shall survive termination, cancellation or expiration of the Purchase Agreement.

