

**AMERICAN SUPERCONDUCTOR CORPORATION
STANDARD TERMS AND CONDITIONS OF SALE**



1. **DEFINITIONS:** In these Standard Terms and Conditions of Sale (“Terms and Conditions”), “AMSC” means American Superconductor Corporation and any subsidiaries thereof; “Buyer” means the person or company with whom the Contract is made as identified on the purchasing agreement or similar written quotation or sales order document; “Work” means equipment, work, materials, goods, products and/or services to be provided by AMSC pursuant to the Contract; and “Contract” shall mean, collectively, these Terms and Conditions and the purchasing agreement and/or AMSC quotation or similar sales order document entered into between AMSC and the Buyer.

2. **AGREEMENT:**

(a) By signing the purchasing agreement or similar written quotation or sales order document referencing these Terms and Conditions and/or ordering any Work sold by AMSC, by issuance of a purchase order pursuant to an AMSC quotation or otherwise, Buyer hereby accepts these Terms and Conditions. If these Terms and Conditions are construed as an offer, AMSC expressly rejects any additional or different terms requested or provided by Buyer. If these Terms and Conditions are construed as an acceptance, this acceptance is expressly conditioned upon Buyer’s assent to any additional or different terms contained herein. If Buyer does not agree and accept, without limitation or qualification, these Terms and Conditions, Buyer may not purchase any Work from AMSC.

(b) Stenographic and clerical errors are subject to correction. In the event that any Work is mistakenly quoted at an incorrect price or quantity or with incorrect specifications, AMSC reserves the right to refuse or cancel any orders placed for Work listed incorrectly. Any and all Contracts are subject to acceptance by AMSC at its general office in Massachusetts, USA, or the location identified with the corporate signature on the AMSC quotation, regardless if taken elsewhere by a salesperson or selling agent.

3. **PAYMENT:**

(a) Except to the extent otherwise specified by AMSC in the Contract, pro rata payments shall become due without setoff as shipments are made or services are provided. All payments shall be made by the Buyer within thirty (30) days from the date of the invoice. If AMSC consents to delay shipments after completion of any product, payment shall become due on the date when AMSC was originally prepared to make shipment. In the event of any such delay, risk of loss shall pass to Purchaser at the time when AMSC was originally prepared to make shipment and Work shall be held at Purchaser’s risk and expense.

(b) If Buyer’s financial condition at any time does not justify continuance of the work to be performed by AMSC hereunder on the agreed terms of payment, AMSC may require full or partial payment in advance. In the event of Buyer’s bankruptcy or insolvency or in the event any proceeding is brought against Buyer, voluntarily or involuntarily, under any bankruptcy or insolvency laws, AMSC shall be entitled to cancel any Contract then-outstanding at any time during the period allowed for filing claims against the estate and shall receive reimbursement from Buyer for its proper cancellation

charges. AMSC’s rights under this Section 3 are in addition to all rights available to it at law or in equity.

(c) Buyer shall pay to AMSC a service charge at a rate equal to the lesser of (i) of 1.5% per month (or portion thereof), or (ii) the maximum rate permitted by applicable law on all amounts past due to AMSC.

4. **SECURITY:** Unless stated otherwise in the Contract, the Buyer shall furnish security in the form of a Payment Bond or Letter of Credit in a form satisfactory to AMSC naming AMSC as beneficiary, which at a minimum will allow AMSC to effect partial or complete withdrawals commensurate with payments schedules defined in the Contract. Each Payment Bond or Letter of Credit shall be issued by a surety company or Bank authorized to do business in the Commonwealth of Massachusetts, USA, and acceptable to AMSC. The security shall remain in effect for the period of manufacture, delivery and final payment, but shall in no event terminate prior to the transfer of title and risk of loss to the Buyer. The security shall cover all obligations of the Buyer under the Contract without limitation. All security shall be executed in the required number of counterparts and shall be submitted to AMSC as a condition precedent to any obligation of AMSC to commence manufacture or delivery.

5. **CREDIT:** Accounts are subject to credit approval by the AMSC Credit Department and AMSC may at any time decline to make any delivery or perform any work except on receipt of payment in cash or upon security satisfactory to such department.

6. **PRICES:** The prices quoted by AMSC are only for the Work as specified in the AMSC quotation, and all prices are subject to change by AMSC prior to acceptance by Buyer, including, without limitation, if changes are made in specifications, delivery, or other terms quoted.

7. **SUBSIDIARIES:** The Contract may be performed, and all rights hereunder against Buyer may be enforced, in whole or in part, by AMSC, or any one or more of its subsidiaries.

8. **TAXES:** Prices are exclusive of taxes, and all taxes arising in connection with the transactions contemplated hereunder are the sole responsibility of Buyer. Any taxes which AMSC may be required to pay or collect, under any existing or future law, upon or with respect to the sale, purchase, delivery, storage, processing use or consumption of the goods covered hereby are not included in the prices defined above and shall be for the account of Buyer, who shall promptly pay the amount thereof to AMSC upon demand. Buyer agrees to indemnify and hold harmless AMSC from any and all liabilities, damages, expenses, judgments and losses (including reasonable attorneys’ fees) incurred by AMSC as a result of Buyer’s failure or delay in collecting, remitting or paying any such amounts.

9. **DELIVERY:** Delivery dates are approximate and are based upon prompt receipt of all necessary information from the Buyer. Work completed or in process cannot be deferred or extended beyond the original delivery date specified, except with AMSC’s written consent and upon terms acceptable to AMSC which

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indemnify AMSC against loss. All terms and conditions of delivery under the Contract shall be interpreted in accordance with INCOTERMS 2020 (International Commercial Terms) and its supplements published by the International Chamber of Commerce, unless otherwise specified in the AMSC quotation or elsewhere in the Contract.

10. **TITLE AND RISK:** Title and risk of loss or damage of Work passes to the Buyer in accordance with the Contract as agreed between AMSC and the Buyer. Unless otherwise specifically stated in the Contract, Work shall be delivered Ex Works (INCOTERMS 2020), AMSC's facility, and title and risk of loss or damage shall pass when the Work is provided to a common carrier.

11. **IP RIGHTS:** AMSC's transfer of title to Work shall not be construed to transfer to Buyer any intellectual property rights and, except that are necessarily implied by law by the sale of the Work, shall not include a license to any intellectual property rights. Except for the limited rights, if any, granted under the express terms of these Terms and Conditions, AMSC retains all intellectual property rights and other proprietary rights in and to the Work or otherwise related to the Work or manufacture or production thereof.

12. **CHANGES:** Proposed changes in the specifications, quantities, method of shipment schedule or place of delivery of the Work must be requested from AMSC in writing and may be accepted or rejected by AMSC in its sole discretion. AMSC reserves the right for a period of thirty (30) calendar days from the acceptance of the change by AMSC to claim an equitable price adjustment from Buyer as a result of any such changes.

13. **INSPECTION AND ACCEPTANCE:** Buyer shall inspect the Work upon receipt of the Work and either accept or reject such Work in accordance with this Section 13. If any Work appears not to conform to the Contract, Buyer shall notify AMSC of such conditions in writing within ten (10) calendar days from receipt thereof (the "Acceptance Period") and afford AMSC a reasonable opportunity to inspect the Work. In the event that AMSC does not receive such notice from Buyer by the conclusion of the Acceptance Period, all such Work shall be deemed to conform to the Contract and deemed accepted by Buyer. No Work shall be returned without AMSC's consent. If AMSC determines that the Work for which Buyer has provided such notice during the Acceptance Period does not conform to the Contract, it shall, in its sole discretion, (i) replace such non-conforming Work with conforming Work, or (ii) refund the price for such non-conforming Work. Buyer acknowledges and agrees that the remedy set forth in this Section 13 is AMSC's sole obligation and Buyer's exclusive remedy for any non-conforming Work that Buyer has notified AMSC of any non-conformity during the Acceptance Period under this Section 13.

14. **LIMITED WARRANTY:**

(a) Limited Warranty. AMSC warrants the Work sold by AMSC to be free from material defects in material and workmanship under normal use and service for a period of twelve (12) months from the date the Work is put into service or eighteen (18) months from the date of delivery, whichever occurs first. If any Work appears not to

conform to such warranty during such period, Buyer shall notify AMSC of such conditions in writing within ten (10) calendar days from learning of such non-conformity and afford AMSC a reasonable opportunity to inspect the Work. If AMSC determines that the Work does not conform to such warranty, it shall, in its sole discretion, (i) repair or replace parts proven to be non-conforming within the stated warranty period, or (ii) accept a return of the Work and provide a refund of amounts paid to AMSC for the returned Work. Repair or replacement of parts under this warranty shall be done on an Ex Works, AMSC factory basis. Title and risk of loss or damage of Work replaced under warranty passes to Buyer in accordance with the terms of Section 10 above. Buyer acknowledges and agrees that the remedy set forth in this Section 14(a) is AMSC's sole obligation and Buyer's exclusive remedy with respect to any Work that does not conform to the warranty set forth in this Section 14(a). If AMSC determines that Work for which Buyer has requested warranty service is not eligible for warranty service for any reason, Buyer shall pay or reimburse AMSC for all costs of investigating and responding to such request at AMSC's then prevailing time and materials rates. The warranty for any repaired or replaced parts shall be the balance of the warranty period for the original parts that were repaired or replaced.

(b) Exclusions from Warranty. The warranty under this Section 14 shall not apply to: Work that has been repaired or altered other than by AMSC in any way so as, in AMSC's judgment, to affect its reliability; Work which has been subject to misuse, negligence, or accident, or where operating manual instructions/recommendations have not been followed; Work for which recommended preventative maintenance has not been followed; defects caused by normal wear; or equipment that is experimental, developmental or supplied for evaluation purposes.

(c) **NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THE CONTRACT, TO THE MAXIMUM EXTENT PERMITTED UNDER APPLICABLE LAW, THE LIMITED WARRANTIES PROVIDED UNDER THE EXPRESS TERMS OF THE CONTRACT ARE EXCLUSIVE AND IN LIEU OF ALL OTHER WARRANTIES BY AMSC, EXPRESSED OR IMPLIED, ORAL OR WRITTEN, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE OR NONINFRINGEMENT. NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THE CONTRACT, EXCEPT FOR THE LIMITED WARRANTIES PROVIDED UNDER THE EXPRESS TERMS OF THE CONTRACT, THE WORK IS PROVIDED "AS IS" AND, TO THE MAXIMUM EXTENT PERMITTED UNDER APPLICABLE LAW, ALL SUCH OTHER WARRANTIES ARE HEREBY EXPRESSLY DISCLAIMED BY AMSC.**

15. **FORCE MAJEURE:** "Force Majeure" means causes beyond the reasonable control of AMSC or its suppliers or manufacturers, that prevent or interfere with the delivery of any Work by AMSC, including without limitation natural disaster, war (declared or undeclared), epidemic, public health emergency, quarantine restriction, strikes, lockouts, fire, acts of terrorism, accidents, restraints affecting shipping or credit, non-arrival or delay of carriers, short or reduced supply of fuel or raw materials or excessive costs

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thereof or of production; acts or omissions of suppliers, manufacturers or other third parties; acts (including laws, regulations, orders, advisories, disapprovals or failure to approve) of any governmental or public health agencies or authorities (whether national, statewide, municipal, or otherwise), or any other similar contingency affecting AMSC or its suppliers or manufacturers. If the total or partial performance of AMSC under the Contract is prevented or delayed by Force Majeure, AMSC is excused from and shall not be liable for any default or delay caused by such Force Majeure and may, at its option, deliver ratably with reference to all its customers or cancel any delivery not made. AMSC will use commercially reasonable efforts to notify Buyer upon becoming aware of the occurrence of the Force Majeure and to resume its performance as promptly as reasonably practicable upon the cessation of the Force Majeure.

16. CANCELLATION; SUSPENSION AND TERMINATION: Any cancellation of an order or any Work thereunder must be specifically approved in writing by an authorized representative of AMSC, and may be subject to termination, restocking, return shipment or other charges. In the event that Buyer breaches the Contract, including without limitation its payment obligations hereunder, AMSC may, in its sole discretion, (a) suspend performance of its obligations under the Contract until such time that Buyer has cured such breach to AMSC's reasonable satisfaction, and (b) terminate the Contract upon seven (7) days written notice to Buyer unless Buyer cures such breach to AMSC's reasonable satisfaction during such notice period.

17. PROPRIETARY INFORMATION:

(a) For purposes of these Terms and Conditions, the term "Proprietary Information" shall mean all information provided by AMSC to Buyer or otherwise acquired by Buyer, whether disclosed orally, visually, or disclosed or accessed in written, electronic, or other form or media, and whether or not marked, designated, or otherwise identified as "proprietary" or "confidential" and all knowledge and information which Buyer has acquired, may acquire or produces as a result of its relationship with AMSC concerning the Work or AMSC's business, including but not limited to inventions, notes, data, memoranda, methods, know-how, techniques, processes and all other business or technical information. In addition, the term "Proprietary Information" shall be deemed to include any notes, analyses, compilations, studies, interpretations, memoranda or other documents prepared by either AMSC or Buyer, or their respective representatives, which contain, in whole or in part, any Proprietary Information.

(b) Buyer agrees that its will not at any time, either during or after the term of the Contract, without the prior written consent of an authorized representative of AMSC, divulge or disclose to anyone outside of AMSC, or use or permit any third party to use, whether for Buyer's own benefit, the benefit of any third party or in any manner which may injure or cause loss, or may be calculated to injure or cause loss, to AMSC, any Proprietary Information. Without limitation of the foregoing, Buyer shall remain fully responsible for compliance with the terms hereof, and any use or disclosure of any Proprietary

Information, by its employees, agents and representatives who gain access to any Proprietary Information hereunder.

(c) Upon termination of the Contract or at any other time upon AMSC's request and direction, Buyer shall promptly deliver to AMSC or, at AMSC's option, destroy all Proprietary Information and all notes, abstracts, memoranda, derivative works or other documents or media that contain Proprietary Information or any discussion thereof (including all copies thereof) in Buyer's possession or control.

(d) The parties agree that these terms are appropriate and necessary for the protection of the business and goodwill of AMSC and are reasonable for such purpose. Buyer agrees that any breach of these Terms and Conditions relating to Proprietary Information may cause AMSC substantial and irreparable damage and, therefore, in the event of any such breach, in addition to other remedies which may be available, AMSC shall be entitled to specific performance and other injunctive and equitable relief.

18. SOFTWARE: Notwithstanding any references herein to title or anything to the contrary in the Contract, any software included in or provided with the Work ("Software") is licensed and not sold to Buyer. Subject to these Terms and Conditions and the Contract, upon payment in full by Buyer, AMSC grants to Buyer a limited, non-exclusive, non-transferrable, non-assignable, revocable, non-sublicenseable right to use the Software, in object code only, solely to the extent necessary to use the Work for its intended purpose and solely as a part of, and not independent of, the Work. Buyer shall not copy or modify the Software and shall not transfer the Software except with the transfer of the Work in its entirety, provided no copy of the Software is retained by Buyer. Buyer agrees that it shall (a) use Software only as required to use the Work, (b) treat the Software as AMSC's Proprietary Information, and (c) not reverse engineer, disassemble, decompile, decode, adapt or otherwise attempt to derive or gain access to the source code of the Software, in whole or in part or otherwise alter, modify or create derivative works of the Software; provided, however, that to the extent that access and use of the Software, contrary to the restrictions set forth in subsections 18(a)-(c) above, is mandated by applicable law, Buyer shall inform AMSC in writing accordingly and AMSC shall notify Buyer within twenty (20) business days from receipt of Buyer's request that (i) AMSC will perform the Work in order to achieve the requirements under applicable law, subject to Buyer's payment of applicable fees and expenses related to AMSC's performance of such Work, or (ii) Buyer itself is entitled to undertake those actions, but only to the extent required to achieve the requirements under applicable law.

19. LIMITATIONS OF LIABILITY:

(a) NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THE CONTRACT, BUYER ACKNOWLEDGES AND AGREES THAT, TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, THE TOTAL LIABILITY OF AMSC (INCLUDING AMSC SUBCONTRACTORS, SUPPLIERS AND MANUFACTURERS), WHETHER IN CONTRACT, TORT (INCLUDING NEGLIGENCE), BREACH OF WARRANTY OR OTHERWISE, ARISING OUT OF, CONNECTED WITH, OR RESULTING FROM THE CONTRACT, INCLUDING WITHOUT LIMITATION THE

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MANUFACTURE, SALE, STORAGE, DELIVERY, RESALE, REPAIR, REPLACEMENT OR USE OF ANY WORK PROVIDED IN CONNECTION WITH THE CONTRACT, SHALL NOT EXCEED THE AGGREGATE AMOUNT PAID BY BUYER TO AMSC UNDER THE CONTRACT. NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THE CONTRACT, TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, IN NO EVENT SHALL AMSC (INCLUDING AMSC SUBCONTRACTORS, SUPPLIERS AND MANUFACTURERS) BE LIABLE TO BUYER OR ANY THIRD PARTY FOR ANY SPECIAL, INCIDENTAL, CONSEQUENTIAL, EXEMPLARY, OR INDIRECT DAMAGES, OR FOR LOSS OF PROFITS, OPPORTUNITY OR REVENUES, LOSS OF DATA, LOSS OF USE OF THE WORK OR ANY ASSOCIATED PRODUCTS OR SERVICES, COST OF CAPITAL, CLAIMS OF CUSTOMERS FOR SERVICE INTERRUPTIONS, OR COSTS INCURRED IN CONNECTION WITH PROCURING SUBSTITUTE GOODS, REGARDLESS OF THE BASIS OF THE CLAIM OR WHETHER SUCH DAMAGES WERE FORESEEABLE. THE FOREGOING LIMITATIONS SHALL NOT APPLY TO ANY DAMAGES TO THE EXTENT THAT AMSC IS NOT PERMITTED TO DISCLAIM OR, AS APPLICABLE, LIMIT, SUCH DAMAGES UNDER APPLICABLE LAW.

(b) If AMSC furnishes Buyer, directly or on behalf of AMSC, with advice or other assistance that concerns any Work supplied hereunder or any system or equipment in which any such Work may be installed and which is not required pursuant to the Contract, the furnishing of such advice or assistance will not subject AMSC or its subcontractors or suppliers to any liability, whether in contract, indemnity, warranty, tort (including AMSC's negligence), strict liability or otherwise.

20. LIFE SUPPORT APPLICATIONS: AMSC Works are not designed, intended or authorized for use in components or systems or other applications intended to support or sustain life, or for any other application in which the failure of the AMSC Work would create a situation where personal injury or death may occur. Should Buyer purchase or use AMSC Works for any such unintended applications, Buyer shall indemnify and hold AMSC and its directors, officers, employees, subsidiaries, affiliates, subcontractors, suppliers and distributors (collectively, "Representatives") harmless against all claims, costs, damages, expenses, (including reasonable attorneys' fees), losses and liabilities arising out of, directly or indirectly, any claim of personal injury or death associated with such unintended or unauthorized use, even when such claim alleges that AMSC was negligent regarding the design or manufacture of the Works.

21. RIDER FOR NUCLEAR APPLICATIONS: If any AMSC Works sold hereunder are used in connection with any nuclear facility or activity, AMSC and its Representatives shall have no liability to Buyer or its insurers for any nuclear damage or contamination, whether as a result of breach of contract, indemnity, warranty, tort (including AMSC's negligence), strict liability or otherwise, and Buyer shall indemnify and hold AMSC and its Representatives harmless against all claims, costs, damages, expenses, (including reasonable attorneys' fees), losses and liabilities arising out of, directly or indirectly, any such use. Buyer shall not remove any AMSC Works from the plant site or otherwise transfer any interest therein without first providing AMSC with written assurance of limitation of and protection against

liability (both nuclear and non-nuclear) following the proposed removal or transfer at least equivalent to that afforded to AMSC and its suppliers. Removal or transfer contrary to this provision shall, in addition to any other legal or equitable rights of AMSC, make Buyer the indemnitor of AMSC and its Representatives to the same extent that they would have been protected had no such removal or transfer taken place. Any AMSC property that becomes radioactive at the work site, shall, at AMSC's option, be purchased by Buyer. Any nuclear decontamination necessary for AMSC's performance (including warranty) shall be performed by Buyer without cost to AMSC.

22. AMSC INDEMNITY:

(a) Subject to Section 19 (Limitations of Liability) and Section 22(c) below, AMSC shall indemnify, defend and hold Buyer harmless against all claims, suits or other actions ("Claims") asserted by a third party against Buyer, and all liabilities, damages, expenses, judgments and losses (including reasonable attorneys' fees) ("Losses") reasonably incurred by Buyer as a result of such third party claims, to the extent arising from the infringement of such third party's valid U.S. patent by the Work provided by AMSC to Buyer under the Contract, provided that Buyer provides AMSC with (i) prompt written notice of such claim, (ii) reasonable assistance in connection with the investigation and defense of such claim, and (iii) sole and exclusive control over the negotiation, litigation, and settlement of such claim.

(b) Subject to Section 19 (Limitations of Liability) and Section 22(c) below, In the event that a final injunction is obtained against Buyer's use of the Work, or if in AMSC's opinion any Work may become the subject of an injunction, AMSC may, at its option and expense, (i) procure for Buyer the right to continue using the Work, (ii) replace or modify the Work so that it becomes non-infringing, or (iii) accept the return of the Work and refund to Buyer the purchase price therefor paid by Buyer to AMSC as depreciated on a straight-line 5 year basis. Notwithstanding anything to the contrary herein or in the Contract, AMSC may withhold further shipments of any such Work.

(c) Notwithstanding the foregoing, AMSC shall not have any liability or responsibility to Buyer to the extent that any infringement, Claim or injunction is based upon (i) use of Work in combination with equipment or software not supplied by AMSC, (ii) compliance with Buyer's designs, specifications or instructions, (iii) use of Work in an application or environment for which it was not designed or not contemplated hereunder, (iv) use of Work in any particular application or environment if use in any other application or environment would not be infringing, (v) modifications of Work by anyone other than AMSC, (vi) use of the Work other than as expressly permitted under the Contract, or (vii) any claims of infringement of any patent in which Buyer or any affiliate or customer of Buyer has an interest or license.

(d) THIS SECTION 22 STATES AMSC'S SOLE LIABILITY, AND BUYER'S SOLE AND EXCLUSIVE REMEDY, FOR ANY CLAIMS OF INFRINGEMENT RELATED TO THE WORK OR THE CONTRACT.

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23. **BUYER INDEMNITY:** Buyer shall indemnify, defend and hold AMSC and its Representatives harmless against all Claims and Losses arising from or related to (a) infringement or alleged infringement of any patent, trademark, trade secret, or other intellectual property or proprietary right as a result of Buyer's use of the Work other than as expressly permitted under the Contract or AMSC's compliance with Buyer's designs, specifications or instructions, (b) Claims excluded from AMSC'S indemnification obligations as set forth in Section 22(c) above; (c) Buyer's breach of the Contract (including without limitation these Terms and Conditions); (d) Buyer's use and/or misuse of the Work; and (e) Claims brought by Buyer's direct or indirect customers against AMSC, except to the extent that AMSC has agreed hereunder to indemnify Buyer with respect to such Claims under Section 22(a) above.

24. **ENTIRE AGREEMENT:** These Terms and Conditions and all other Contract documents attached or included herewith or entered into hereunder shall constitute the sole agreement between the Buyer and AMSC and shall supersede prior discussions and negotiations related to the subject matter of the Contract, except that the identification of information as Proprietary Information herein shall not be construed to supersede any prior confidentiality provisions between AMSC and Buyer with respect to other information, and such other provisions relating to other information shall remain in full force and effect. Any and all additional or different terms and conditions contained in any of Buyer's purchase orders, acceptance, invoices, bills or other commercial documents are hereby rejected and shall not become part of the Agreement between the parties unless signed by both parties. Each party agrees that it has not relied on and shall have no remedies in respect of any statement, representation, assurance or warranty (whether made innocently or negligently) that is not set out in the Contract. Each party agrees that it shall have no claim for innocent or negligent misrepresentation or negligent misstatement based on any statement in the Contract. No waiver, alteration or modification of the Contract, and no terms contained in any other purchase order, acknowledgement, or other such document from Buyer, shall be binding unless identified as an amendment hereto or, with respect to the identification, price or quantity of Work hereunder a quotation or other proposal hereunder, in each case in writing and signed by a duly authorized representative of AMSC.

25. **GOVERNMENT CONTRACTS:** In the event this Contract is for Work to be furnished by Buyer under any government contract or purchase order, AMSC shall have all rights of Buyer that are available to Buyer under such government contract or purchase order, whether or not Buyer is a prime contractor or supplier to the government or is a subcontractor at any tier.

26. **SEVERABILITY:** In the event that any one or more of the provisions of the Contract shall for any reason be held to be unenforceable in any respect under the law of any state or country, the unenforceable provision shall be modified to the reasonable extent necessary to reflect the intent of the parties to the extent permitted under applicable law and such unenforceability shall not affect any other provision, and the Contract shall then be otherwise

construed as if such unenforceable provisions had never been contained herein.

27. **NOTICES:** Any notice or communication required or permitted hereunder shall be in writing and shall be deemed effective on receipt.

28. **GOVERNING LAW:** Any dispute involving the Contract or the Work to which it applies shall be construed under the internal laws of the Commonwealth of Massachusetts in the United States of America, without regard to any conflict of laws provisions thereof that would result in the application of any other laws. The United Nations Convention on Contracts for International Sales of Goods shall not apply.

29. **LIMITATION ON ACTIONS:** All Claims by, through or on behalf of Buyer that arise out of or are in any way connected with the Contract or the Work to which it applies will expire and be forever barred as against AMSC unless an action is commenced against AMSC in accordance with the Contract within two (2) years after AMSC'S first delivery of the relevant Work hereunder.

30. **COMPLIANCE WITH LAW:** Buyer shall comply with all applicable governmental laws, ordinances, codes, rules, regulations and orders in its purchase, shipment, installation and use of the Work and performance hereunder, and shall obtain all permits or licenses required in connection with the purchase, shipment, installation and use of any of the Work.

31. **EXPORT LAW:** Buyer shall be responsible for any required export/import licenses. The obligation of the Buyer to pay for the Work shall not in any manner be waived by the delay or failure to secure or renew, or by the cancellation of any required export/import licenses. Buyer agrees to comply with any and all applicable federal, state or local export laws, ordinances, regulations, codes and standards, including without limitation the United States Export Administration Regulations, as in effect from time to time and will not re-export any products or data or sell, license or otherwise distribute products or data to any party in violation of any and all applicable federal, state or local regulations, including without limitation applicable regulations of the United States Department of State or Department of Defense. Buyer agrees to obtain similar assurances from its customers and to remain fully responsible for their compliance with all such requirements. Buyer will also maintain the necessary records to comply with any and all applicable federal, state or local export laws, ordinances, regulations, codes and standards, including without limitation the United States Export Administration Regulations. Buyer agrees to indemnify and hold harmless AMSC and its Representatives from any and all costs and expenses incurred by AMSC or its Representatives as a result of Buyer's breach of this Section 31.

32. **REGULATORY LAWS AND/OR STANDARDS:** AMSC makes no promise or representation that the Work will conform to any federal, state or local laws, ordinances, regulations, codes or standards, except to the extent particularly specified and agreed upon by AMSC

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in writing as part of the Contract. AMSC prices do not include the cost of any related inspections or permits, or inspection fees.

33. **VENUE:** Any dispute, controversy or claim between or among the parties, arising out of or relating to the Contract or the Work, including any claim based upon or arising from an alleged tort relating to the Contract or the Work, shall be brought in any state or United States federal court located in the Commonwealth of Massachusetts, and each party irrevocably and unconditionally consents to the exclusive jurisdiction of such courts (and of the appropriate appellate courts) in any such action or proceeding and waives any objection to venue laid therein Notwithstanding the foregoing, AMSC may seek equitable relief in any appropriate forum.

34. **ANTI-CORRUPTION:**

(a) With respect to laws relating to corruption, commercial bribery, and money laundering, Buyer represents and warrants that no part of any profits obtained by it in connection with its purchase of the Work under the Contract will be (i) directly or indirectly paid, offered, transferred, or given to any official, representative, or employee of any government, government agency, or instrumentality for the purpose of obtaining or retaining business for or with, or directing business to, any person or company (such as, AMSC), or (ii) otherwise used for any purpose which would violate the U.S. Foreign Corrupt Practices Act, UK Bribery Act or any other laws, regulations, and standards of the U.S. or other applicable countries.

(b) Indemnification. The Buyer agrees to indemnify and hold AMSC and its Representatives harmless from and against all Claims and Losses arising from or related to any violation of the provisions of this Section 34 by Buyer or its directors, officers, employees, consultants, agents or customers.

35. **NO ASSIGNMENT BY BUYER:** Buyer may not assign, transfer, or delegate the Contract, or any rights or obligations thereunder, including by operation of law, without AMSC's express prior written approval. Any purported assignment, transfer or delegation by Buyer in violation of the foregoing shall be null and void. .

36. **NO WAIVER:** Any waiver of any requirement or breach of the Contract must be in writing and shall not be construed to be a waiver of any other or subsequent requirement or breach.

37. **THIRD PARTY RIGHTS EXCLUSION:** A person who is not a party to the Contract shall not have any rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of the Contract, except for any of AMSC's subsidiaries or companies affiliated with AMSC as set forth in Section 7 of these Terms and Conditions. The rights of the parties to rescind or vary the Contract are not subject to the consent of any other person.

38. **FOR QUOTATIONS IN QUANTITY:**

(a) The price invoiced will be determined by the quantity released per scheduled shipment without regard to the total quantity ordered or the time period covered by the Contract.

(b) Any increase in scheduled quantity that is received within the published lead time of AMSC manufacturing facility will be priced as a separate order or schedule release. Any decreases in quantity will be subject to cancellation charges.