

**ALSTOM Transport Canada Inc.**

**ALSTOM**

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March 28, 2019

Mr. Claude Jacob  
General Manager  
805 Belfast Road  
Ottawa, ON K1G 0Z4

Letter No.: **ALSMNT-RTM-0109**  
In reply to: None  
Action: OLRTC.  
Letter Ref.: RTM-ALS-0022, 0024; ALSMNT-RTM-0097

Subject: Support Maintenance Activities prior to Handover

Subcontract: Ottawa Light Rail Transit Project, Maintenance Subcontract dated February 12, 2013, between Rideau Transit Maintenance General Partnership ("RTMGP") and ALSTOM Power & Transport Canada Inc.]

Dear Claude:

Alstom wants to support RTM to achieve its goal of beginning some maintenance support activities as soon as possible prior to Revenue Service. Alstom has suggested a proactive plan of action, including a review of the documentation very recently provided to gain an understanding of the baseline of acceptable conditions to maintain to, and in the absence of maintenance records, an assessment of the Track and OCS by which it can gain sufficient information as to the condition of the system, so that Alstom can start certain maintenance activities under RTM responsibility and liability before Handover.

Based on this plan, assuming that Alstom is given the access and permits, Alstom will start to inspect the asset, segment by segment and based on its condition, either recommend corrective action or perform appropriate level of preventative maintenance given certain conditions. If corrective action is required, RTM will either request OLRT to perform the work, do the work itself or request Alstom to perform the corrective actions.

Alstom wants to re-emphasise the following:

- RTM (or OLRT) is liable for all activities before RSAD, including Alstom negligence, even if due to Alstom actions an asset is damaged or if Alstom's delays the substantial completion or the start of RSAD.

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- Any corrective action that RTM requests Alstom to perform is to be paid for by RTM. Fee charged by Alstom will include an appropriate level of overhead and profit.
- Although it will use its best endeavours to repair quickly, Alstom has no obligation or liability to make corrective repairs within a specified timeframe. Repairs may require use of major shut down time. In the event repairs take longer and impact revenue service Alstom is not liable. Please note that it is our belief that significant engineering hours may be needed to do the corrective work.
- Alstom performing inspection and maintenance support activities does not indicate acceptance of asset and Alstom is not liable for deficiencies related to Track and OCS until the asset is in an acceptable condition, even if this occurs after RSAD.
- Any variation in Alstom's obligations as Maintenance Subcontractor is contingent upon the parties' reaching agreement to a written Variation to the Subcontract, including appropriate adjustment in all relevant terms and conditions with respect to, among other things, payment, failures points and relief from reductions, Excusing Causes, and default/termination.

Please note that SCADA and communications systems are not yet in a mature enough condition for Alstom to assess and create a plan for. These systems will have to be addressed at a later stage when more information is known.

Alstom would like to have a discussion to understand the Handover Process, as we believe this is not clear. In particular, Alstom is concerned about the potential for the system to be handed over before actual asset condition is known and corrective actions are completed and seeks clarity that Alstom will not be held liable for costs, deductions and failure points for deficiencies in the asset found during the warranty period, even if Alstom has inspected the asset prior to handover but not agreed that the asset is in an acceptable condition.

Please feel free to contact the undersigned with any questions. Alstom awaits RTM's agreement to these conditions to proceed in this manner.

Sincerely,



Justin Bulpitt  
 Director, Bids & Technical Services

Attachment(s): No Attachments.

cc: Alban Houssin, Alstom  
 Jaime Careno, Alstom  
 Alex Turner, RTM