



Rideau Transit Maintenance
805 Belfast Road
Ottawa, ON K1G 0Z4

June 16th 2020

Mr. Gonzalo Gomeza
OLRT Constructors
1600 Carling Ave, Suite 450
Ottawa, ON K1Z 1G3

RTM Letter No:	RTM-OLR-0-LET-0043	OPEN
Replying To:	N/A	
Reference:	Amended and Restated Interface Agreement	
Action Required:	Address CC Defect	

Subject: Warranty Notice for Construction Defects during the CC Warranty Period

Dear Mr. Gomeza,

Please find attached a letter Rideau Transit Maintenance (**RTM**) has received from its Maintenance Subcontractor. In the attached letter, Alstom Transport Canada Inc. (**Alstom**) is alleging that CC Defects are affecting its Subcontract Work. Under Section 3.4 (d), 3.4 (e), and 3.4(h) of the Amended and Restated Interface Agreement, the Construction Contractor (**CC**) is obligated to correct a CC Defect. If the CC does not rectify the CC Defect, RTM and/or Alstom may incur costs for which CC is obligated to reimburse to RTM.

RTM continues its review of the attached. However, as RTM is obligated to bring issues raised as potential CC Defects to OLRT-C's attention at the earliest possible opportunity, we are issuing this letter and attachments for OLRT-C's awareness and any and all appropriate due diligence.

RTM has also attached a Warranty Notice as per the unexecuted Warranty Protocol between OLRT-C and RTM.

RTM has not, at this time, assessed the potential impact of the costs with respect to any RTM actions to remedy/mitigate the consequences of the CC Defects. Furthermore, potential additional impacts, such as Project Co Deductions or subsequent repair, which are not yet known or agreed may be presented to OLRT-C at a later date by separate letter or Invoice.



RTM reserves all of its rights under the Interface Agreement and otherwise at law.

Regards,

A handwritten signature in black ink, appearing to read "James Messel", is positioned above the printed name.

James Messel
Rideau Transit Maintenance

CC: Hans Tenold, Ryan Legere, Bill McCormick, Tyler Mieke, William Coleman, Ricardo Umana, Steve Isbell & Document Control – OLRT-C

Matthew Slade – EllisDon

Peter Lauch, Nicolas Truchon – RTG

Tom Pate, Alex Turner- RTM

Attachments: RTM-WAR-0102 – Ground Cable Not Connected
ALSMNT-RTM-0317a - Notice of CC Defect - Ground cable not connected



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Mr. James Messel
General Manager
Rideau Transit Maintenance General Partnership
805 Belfast Road
Ottawa, ON K1G 0Z4

Ottawa, June 15, 2020

Letter No.: ALSMNT-RTM-0317a
In reply to: None
Action: RTM
Letter Ref.: None
Subcontract: Second Amended and Restated Maintenance Subcontract dated September 16, 2019 (“Subcontract”);
Article 7.3 of Attachment 50 – Interface Rights and Obligations
Subject: Notice of CC Defect - Signal 1-W-4 ground cable not connected

Dear Mr. Messel,

Alstom is writing to provide further details regarding a Construction Contractor Defect, notified under letter ALSMNT-RTM-0261. (IMIIRS # 37245, Alstom Reference # 500325099).

During an inspection the Alstom technician found that Signal 1-W-4 located on Track 2 next to switch 302 (98+290) ground cable is not connected. Refer to attached photo.

In accordance with Article 7 of Attachment 50 – Interface Rights and Obligations of the Subcontract, Alstom informs RTM that, as the repair is not urgent in nature for public safety reasons and is not required to mitigate loss, Alstom requests RTM to inform accordingly Construction Control to proceed with the repair.

This event is qualified as a Construction Contractor defect. Therefore, according to the contractual provisions, Alstom is entitled to an additional compensation for all costs, delays and any impacts resulting from this event, as set forth under the CC defect process defined in the Second Amended and Restated Maintenance Subcontract dated September 16, 2019.

Please be advised that the Construction Contractor remains liable and responsible to remedy to the defect during the Warranty Period. Any work performed regarding a CC Defect shall be covered by an extension of warranty by the Construction Contractor in accordance with Attachment 50 of the Subcontract (“Stage 1 CC Warranty Period”).



Alstom expressly reserves its rights and remedies under the Subcontract, in equity and at law, for any unjustified deductions to payments it is owed, failure points assigned or lost kilometers, and to compensation for any remedial and additional work.

Sincerely,

A handwritten signature in black ink that reads "R France". The signature is written in a cursive style with a large initial "R".

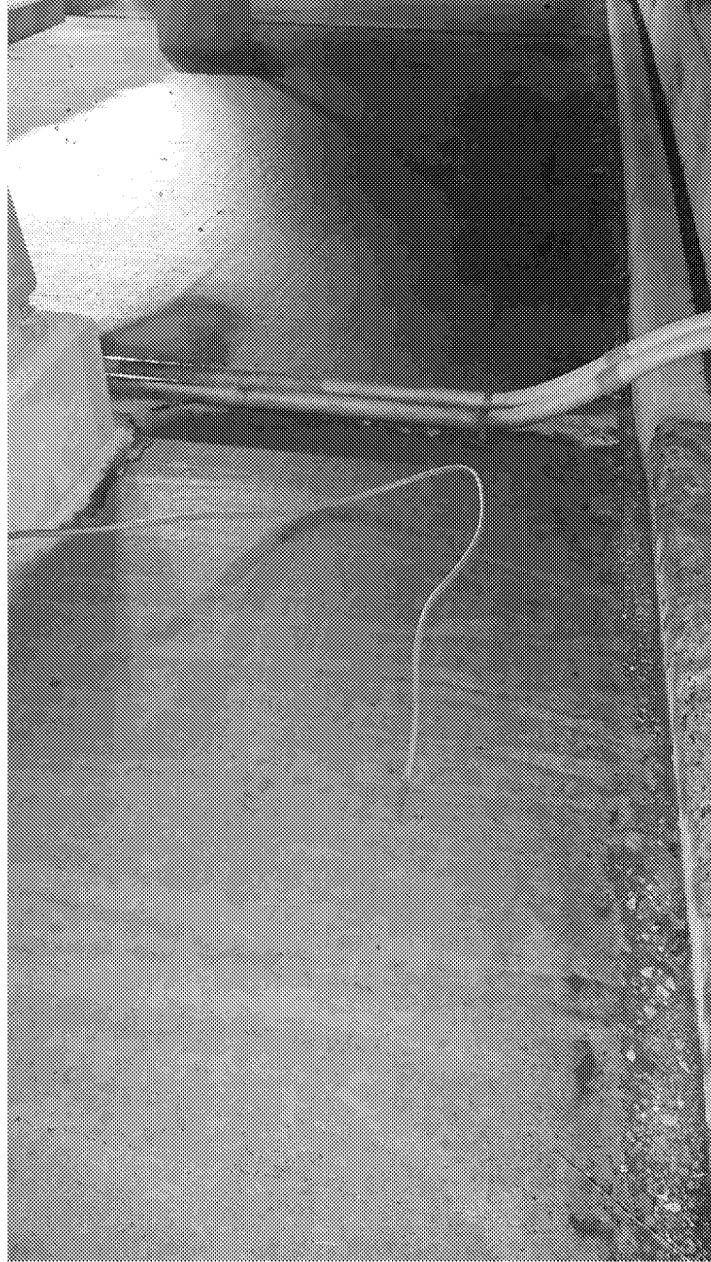
Richard France
Project Manager

Attachment(s): Photos

cc: Alex Turner, RTM
Michail Matthiopoulos, Alstom
Remy Adnot, Alstom
Naomi Sarna, Alstom
Emilio Villalta, Alstom

ALSTOM

Photo



Alstom ©



Document: RTM-MC-FRM-505

Revision: 0

Date: 2019-10-22

Page: 1 of 1

Maintenance Department Form

WARRANTY NOTICE FORM

Item No.:

RTM-WAR-0102 / ALSMNT-RTM-0317a / RTM-OLR-18-0-LET-0043

Originator:

Alex Turner

System and Location:

Signal 1-W-4 Ground Cable Not Connected

Date and Time of Notification:
June 16th 2020
Description:

Please reference attached letter ALSMNT-RTM-0317a for all details.

Temporary Remedial Works Performed:
Direct Losses:
Root Cause
Actions:
Subcontractor or Supplier Warranty Applicable (Yes/No):

Yes