

## FTREX User Group Participation Agreement

Participant Name: The State Office for Nuclear Safety

EPRI Contract ID: 20020415

EPRI Project Title: "FTREX Users Group"

EPRI Project ID: 1-063727

This is to certify that **The State Office for Nuclear Safety** ("Participant"), EPRI Customer No. 10007546, will be a member of **FTREX** ("User Group") for the period **January 1, 2025 – December 31, 2027**. It is understood that upon receipt of this signed Agreement, EPRI will invoice User Group Member for membership dues, which will be due within thirty (30) days of the receipt of such invoice. Membership for the new Users Group begins upon receipt of the signed form and expires **December 31, 2027**.

This Agreement incorporates by reference the scope of activity set forth in Exhibit I (Funding Statement of Work), the terms and conditions set forth in Exhibit II (FTREX User Group Agreement Terms and Conditions), and the License Agreement included as Exhibit III, if applicable, which shall be separately signed by Participant. The FTREX User Group Participation Agreement, Exhibit I, Exhibit II and Exhibit III shall be collectively known as the "Participation Agreement."

Any purchase order issued by Participant pursuant to this Agreement is solely for Participant's internal accounting requirements and, as such, the terms and conditions of such purchase order are hereby superseded by the terms and conditions set forth herein

**MEMBERSHIP:** ☒ Multi-year membership

**PARTICIPATING LOCATIONS:** ☒ All Participant locations within the Participant's domiciliary country noted below:

☒ Participating sites:

### FUNDING (in U.S. Dollars):

Funding Type ↓ Year→	2025	2026	2027	TOTAL
Cofunding	\$12,000.00	\$3,000.00	\$3,000.00	\$18,000.00
Total	\$12,000.00	\$3,000.00	\$3,000.00	<b>\$18,000.00</b>

### Technical Contact / Ship-to Information:

Name: Petr Adamec  
Company: The State Office for Nuclear Safety  
Address: Senovážné náměstí 1585/9  
Prague, 1-New Town 110 00, Czech Republic  
Tel/Fax: 420-221-624-278  
E-mail: petr.adamec@sujb.gov.cz

### Please Return this form to:

EPRI  
Carin Henderson  
3420 Hillview Ave.  
Palo Alto, CA 94304  
CHenderson@EPRI.com

Participant Reference No.: \_\_\_\_\_

### Invoices to: The State Office for Nuclear Safety

Attn: Petr Adamec  
Senovážné náměstí 1585/9  
Prague, 1-New Town 110 00, Czech Republic  
Tel/Fax: 420-221-624-278  
Email: podatelna@sujb.gov.cz

☐ I would like to use this form as my invoice—payment enclosed.

[Signature page follows.]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized representatives.

<p>Approval / <b>The State Office for Nuclear Safety</b> ("Licensee") Senovážné náměstí 1585/9 Prague, 1-New Town 110 00, Czech Republic</p> <p>Signature: _____ Name: <u>Ing. Michaela Ratajová</u> Title: <u>Director of the Nuclear Safety Assessment</u> Department _____ Date: <u>10. 3. 2025</u></p>	<p>Approval / <b>Electric Power Research Institute, Inc.</b> ("EPRI") 3420 Hillview Avenue, Palo Alto, CA 94304</p> <p>Signature: _____ Name: _____ Title: _____ Date: _____</p>
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Exhibit I

**Funding Statement of Work**

Participant Name: The State Office for Nuclear Safety

EPRI Contract ID: 20020415

EPRI Project Title: “*FTREX Users Group*”

EPRI Project ID: 1-063727

**P41.07.01.10: Fault Tree Reliability Evaluation eXpert (FTREX)**

**Project Lead:** John Weglian; (704) 595-2763; [jweglian@epri.com](mailto:jweglian@epri.com)

**Published:**

**Supplemental Product ID: 1-063727**

**Objective**

The objective of this project is to provide a mechanism for members to access the FTREX software for use with the EPRI risk software tools and support improved model quantification efficiencies.

To apply EPRI risk assessment methods and software tools most effectively, users need the ability to quickly generate cutsets from Probabilistic Risk Assessment (PRA) models. The commercial FTREX software provides such cutset generation capabilities and can interface with tools from EPRI’s Integrated Risk Technology efforts, including Phoenix Risk Monitor and Phoenix Architect (which includes CAFTA and PRAQuant).

**Approach**

This project intends to monitor changes to the FTREX software, provide input and feedback for further development of the software, and support technology transfer in the use and application of the FTREX software in conjunction with EPRI risk software tools.

The non-proprietary results of this work may be incorporated into EPRI R&D Program 41, and made available to the public, for purchase or otherwise.

**Research Value**

FTREX provides significant improvement in quantification speed for large models, especially at low truncations, and can easily generate millions of cutsets for typical PRA models, beyond the capabilities of other cutset generation engines. FTREX also implements many unique ideas into fault tree restructuring, gate expansion, subset deletion, subsuming, and data storage. This accelerates the quantification process of a fault tree.

**Anticipated Deliverables**

Beta test and final release versions of the FTREX software are expected to be made available on a periodic basis after they are released by the software developer and tested under EPRI’s software quality assurance processes. This cycle generally produces one new version (beta or final) each year.

**Past EPRI Research *none listed***

**Related Research**

Other EPRI projects with a strong relationship to this project include: Integrated Risk Technology (IRT) Users Group

**Supplemental Project ID: 063727**

## Exhibit II

### FTREX User Group Agreement Terms and Conditions

- (1) Project Scope, Management and Funding. EPRI and Participant agree to cofund with others the EPRI FTREX User Group project (the "Project") described in the attached Exhibit 1. Participant agrees to commit funds for the Project as set forth in the User Group Participant Form. EPRI shall use commercially reasonable efforts to complete the Project objectives and deliver the deliverables set forth in Exhibit 1. EPRI shall contract for and manage the Project in accordance with its normal contracting practices and procedures. Participant may participate in any project management team that may be formed by EPRI for the Project. The EPRI FTREX User Group Participation Form, Exhibit I – Description of Licensed Products, Exhibit II – EPRI FTREX User Group Agreement Terms and Conditions, and Exhibit III – FTREX User Group License Agreement are collectively referred to herein as the "User Group Agreements".
- (2) Payments. Participant will pay the annual Funding to EPRI in U.S. Dollars after receipt of EPRI's invoice. The annual amounts and payments to EPRI hereunder shall be net of all taxes, duties, tariffs, charges, fees, offsets and imports, of any kind or nature, (collectively "Fees"), which may be levied upon EPRI by any governmental agency or authority of the Participant's domiciliary country, or by any other non-U.S. governmental agency or authority; Participant shall be solely responsible for the payment of any such Fees to any such government entity. Participant shall pay such invoice within thirty (30) days of receipt. In the event Participant fails to pay the amounts invoiced within such time, EPRI may terminate the User Group Agreements with Participant, including the license agreement. EPRI's reference number shall appear on all correspondence and payments. Any purchase order issued by Participant pursuant to this Agreement is solely for Participant's internal accounting requirements and, as such, the terms and conditions of such purchase order are hereby superseded by the terms and conditions set forth herein.
- (3) Technical Reports. Participant shall receive a copy of each Project report produced by EPRI or its contractor(s) performing the Project, if any, subject to the provisions of Paragraph 6, Termination.
- (4) Intellectual Property. EPRI shall have sole title to all intellectual property rights in and to the results of the Project ("Project Results"). Participant shall be granted, in a separate agreement, a nonexclusive, revocable license, in accordance with EPRI's normal licensing practices and procedures, to use the FTREX software and other EPRI materials described in Exhibit I of the User Group Agreements (the "Licensed Products") and the Project Results for the benefit of Participant excluding the right to make, sell, license, lease or distribute such results or embodiments thereof. Such license shall be granted in accordance with the separate license agreement in the attached Exhibit III, which shall be signed or executed prior to participation in the User Group and wherein the EPRI Materials (as defined in Exhibit III) shall include the Licensed Products and the Project Results.
- (5) Confidentiality. In order to protect the intellectual property value of the Project Results, Participant agrees not to disclose, publish or make available to others any Project reports, unpublished forms of the reports, or any information regarding the Project, without EPRI's prior written approval.
- (6) Termination. (a) Either EPRI or Participant may terminate its participation in the Project upon at least thirty (30) days written notice to the other Party. If Participant terminates its participation in the Project or fails to pay the User Group or maintenance fees, then Participant shall not be entitled to receive any subsequent Licensed Products or Project Results. (b) In the event Participant withdraws from the User Group, the User Group Agreements shall terminate as of the effective date of the Participant's withdrawal. Such termination shall be treated by EPRI in accordance with the provisions of subparagraph (a) above and Participant shall not be entitled to receive any subsequent Project Results.
- (7) No Warranties. EPRI PROVIDES NO WARRANTY OR REPRESENTATION, EXPRESS OR IMPLIED, WITH RESPECT TO THE LICENSED PRODUCTS OR RESULTS ARISING OUT OF THE PROJECT HEREUNDER, INCLUDING WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, OR THAT THE RESULTS ARE SUITABLE TO PARTICIPANT'S CIRCUMSTANCE.
- (8) Limitation of Liability. (a) In no event will either EPRI or Participant be liable to each other for any incidental or consequential damages arising out of the Project or the User Group Agreements, however caused, and on any theory of liability. (b) The total liability of EPRI and Participant under the User Group Agreements shall be limited to an amount equal to the Participant's Funding.
- (9) Miscellaneous. (a) The User Group Agreements, as well as any other documents referenced herein, shall constitute the entire agreement and may not be amended or modified except by a written instrument signed by the duly authorized representative of both Parties. (b) The User Group Agreement shall be governed by California law without reference to principles of conflicts of law. The intellectual property laws applied in connection with the Licensed Products and the Project Results, Project reports, or other intellectual property used, created, revised or licensed in connection with this Agreement shall also be subject to the internal laws of the State of California, except for those areas which are the exclusive province of the U.S. Federal Courts (e.g. copyright and patent law), which shall be governed by U.S. Federal law including applicable international treaties executed by the United States. (c) Nothing contained herein shall be construed to imply a joint venture or partnership between the Parties. (d) Any dispute that may arise under or in connection with this Agreement, or any terms or conditions thereof, not resolved on an amicable basis, through good faith discussions or through non-binding mediation, shall be fully and finally resolved through binding arbitration, under the Rules of Arbitration of the International Chamber of Commerce then in force, by a panel of one (1) arbitrators chosen in

accordance with said Rules. The place of any mediation or arbitration shall be San Francisco, California, U.S.A. Any award rendered by the arbitrator(s) may be entered in and enforced by any court having jurisdiction thereof, and shall be enforceable under the terms of the United Nations Convention on the Recognition and Enforcement of Foreign Arbitral Awards. The Parties hereby consent to the jurisdiction of the Supreme Court of the State of California, and the United States District Court for the Northern District of California, for all purposes in connection with arbitration under the foregoing provisions. The costs and expenses of the arbitration shall be borne among the Parties to the arbitration as determined by the arbitrators; provided, however, that each Party shall pay for and be solely obligated to bear the cost of its own experts, the acquisition and preparation of its evidence, and the fees of its legal counsel and/or other professionals retained by such Party. Notwithstanding any other provision of this Agreement, either Party shall be entitled to seek preliminary injunctive relief from any court of competent jurisdiction pending the final decision of the arbitrators.

(10) Effective Date. This Agreement shall be effective as of the last date of execution.

(11) Export Regulations. Participant shall comply with all laws, rules and regulations including, without limitation, all U.S. and foreign export laws and regulations. The parties agree that access to and use of Licensed Products and Project Results provided to Participant is hereby granted with the specific understanding and requirement that responsibility for ensuring compliance with all applicable U.S. and foreign export laws and regulations are being undertaken by Participant. This includes an obligation to ensure that any individual receiving access hereunder who is not a U.S. citizen or permanent U.S. resident is permitted access under applicable U.S. and foreign export laws and regulations. The parties further agree that access to and use of materials provided to Participant's employees should be limited to a need to know basis, and subject to an executed confidentiality agreement between Participant and said employee. Although EPRI may make an informal assessment of the applicable U.S. export classification for specific materials provided to User Group Participant, Participant acknowledges that this assessment is solely for informational purposes and not for reliance purposes. Participant acknowledges that it is still the obligation of Participant to make its own assessment of the applicable U.S. export classification and ensure compliance accordingly. Participant further understands and acknowledges its obligations to make a prompt report to EPRI and the appropriate authorities regarding any access to or use of materials provided to Participant hereunder that may be in violation of applicable U.S. and foreign export laws or regulations. The aforesaid obligations shall survive any satisfaction, expiration, termination, or discharge of this Agreement or any obligations hereunder.

(12) Reference Number. The EPRI reference number should appear on all correspondence and payments.

(13) No Endorsement and Publicity Releases. Customer acknowledges that EPRI neither endorses products or services, nor allows the data or other results of EPRI work to be used as an endorsement. Therefore, Customer agrees that it will not, whether explicitly or through implication, use EPRI's name, logo, trademarks; the name, title, or statements of EPRI employees; this Agreement or the results of work from this Agreement for advertising or other promotional purposes, raising of capital, recommending investments, or in any way that states or implies endorsement by EPRI. Any exceptions to this Paragraph will require the advance written approval of EPRI, which may be withheld at EPRI's sole discretion.

## Exhibit III

### FTREX License Agreement

This License Agreement ("Agreement") is entered into as of the Effective Date between Electric Power Research Institute, Inc., a non-profit corporation organized under the laws of the District of Columbia ("EPRI"), and the Licensee identified below in the signature block ("Licensee"). EPRI encourages the use of its results from research and development on a nondiscriminatory basis, and Licensee desires the right to use certain results of EPRI's research and development as more particularly described herein. Therefore, the parties agree as follows:

#### Article I. Definitions.

1.01 "Derivative Work(s)" means any form into which EPRI Materials may be recast, transformed or adapted, including any modification, revision, condensation, translation, abridgment or expansion of the EPRI Materials.

1.02 "EPRI Material(s)" are those materials provided to Licensee by EPRI described in Attachment A attached hereto and incorporated herein by reference.

1.03 "EPRI Intellectual Property Rights" are any patent, copyright, trademark, trade secret, know-how or other intellectual property rights of EPRI.

1.04 "Effective Date" of this Agreement shall be the date of signature of the last of the parties to execute this Agreement.

1.05 "FTREX" means the Fault Tree Reliability Evaluation eXpert software created by Dr. Woo Sik Jung of the KAERI and licensed to EPRI under the License Agreement.

1.06 "KAERI" means the Korea Atomic Energy Research Institute.

1.07 "KAERI Agreement" means that certain License Agreement by and between EPRI and KAERI.

1.08 "Object Code" means the binary machine-readable version of software.

1.09 "Participation Form" means the EPRI FTREX User Group Participation Form and the exhibits thereto.

1.10 "Source Code" means those statements in a computer language, which when processed by a compiler, assembler, or interpreter become executable by a computer.

1.11 "User Group" means the FTREX User Group established and maintained by EPRI.

#### Article II. License Grant and Restrictions.

2.01 Internal Use License. Subject to the terms of this Agreement, EPRI grants Licensee an internal use royalty bearing, personal, nonexclusive, nontransferable license to use the EPRI Materials internally, only in those locations identified on Page 1 of this Agreement, for the benefit of Licensee only and not for the benefit of any affiliate or other third party. Licensee shall not, without EPRI's prior written consent, directly or indirectly: (i) disclose EPRI Materials to any third party, (ii) prepare or have prepared Derivative Works, (iii) copy EPRI Materials, (iv) use any method to obtain the Source Code version of EPRI Materials, (v) use any EPRI Materials or EPRI Confidential Information to create materials the same as or substantially similar to EPRI Materials, or (vi) remove or cover any

EPRI's or KAERI's proprietary rights notices from the EPRI Materials.

2.02 Sublicenses. Licensee shall have no right to sublicense the EPRI Materials.

2.03 Notwithstanding anything to the contrary herein, Licensee may disclose to any third party results which are produced by the performance, display or use of any of the EPRI Materials by Licensee for its benefit in its own operations, so long as the disclosure of such results does not constitute or otherwise involve the provision of consulting services by Licensee, and does not disclose any of the EPRI Materials or the proprietary trade secrets embodied therein. . For clarification purposes, LICENSEE may use the Licensed Products for the internal benefit of other participants in the FTREX User Group who have a valid user Group Participation Agreement and License Agreement under the respective terms and conditions of the participants agreements.

2.04 Neither EPRI nor KAERI is under any obligation to release the FTREX Source Code. Licensee shall not make any modifications and/or changes to the FTREX Object Code included in the EPRI Materials except as approved in writing in advance by EPRI in its sole discretion.

2.05 Licensee shall not make any effort to reverse engineer or to decompile any of the FTREX Object Code, and shall use its best efforts to prevent any of its employees from independently attempting any such reverse engineering or decompiling activities.

2.06 Except as otherwise expressly set forth herein or in Attachment A hereto, EPRI shall have no obligation to provide support or maintenance to Licensee or any sublicensee or other third party. EPRI may subcontract all or part of any service(s) to be provided hereunder.

#### Article III. Proprietary Rights and Confidentiality.

3.01 EPRI shall retain all right, title and interest in the EPRI Materials and EPRI Intellectual Property Rights, subject to the rights of KAERI pursuant to the KAERI Agreement.

3.02 The parties may provide to one another information that is confidential ("Confidential Information"), which the parties hereby agree includes the EPRI Materials. All other information which is Confidential Information must, prior to its disclosure, (a) be labeled as "Confidential" or otherwise clearly identified as confidential, or (b) if disclosed orally, be identified as such and be reduced to writing, marked as "Confidential" and delivered to the recipient within twenty days of such disclosure. Confidential Information shall not include information which: (i) is or becomes a part of the public domain through no act or omission of the receiving party; (ii) was in the receiving party's lawful possession prior to the disclosure and had not been obtained by the receiving party either directly or indirectly from the disclosing party; (iii) is lawfully disclosed to the receiving

party by a third party without restriction on disclosure; (iv) is independently developed by the receiving party; or (v) is disclosed by operation of law. The parties agree to hold each other's Confidential Information in confidence for five years following disclosure, provided, however, that protection of EPRI Materials shall be perpetual.

#### **Article IV. [Reserved.]**

#### **Article V. Limitation of Warranties and Remedies.**

5.01 EPRI warrants that it has the right to grant the license and other rights as set forth herein. EPRI does not warrant that the EPRI Materials do not infringe third party intellectual property rights and shall not indemnify Licensee for infringement claims or expenses incurred therewith.

5.02 EXCEPT FOR THE FOREGOING EXPRESS LIMITED WARRANTIES, EPRI LICENSES AND LICENSEE ACCEPTS THE EPRI MATERIALS "AS IS," WITH NO OTHER WARRANTIES OR CONDITIONS OF ANY KIND, EXPRESS OR IMPLIED INCLUDING, WITHOUT LIMITATION, WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. EPRI'S LIABILITY TO LICENSEE OR ANY THIRD PARTY FOR A CLAIM OF ANY KIND RELATED TO THIS AGREEMENT, ANY EPRI MATERIALS OR ANY EPRI SERVICE, WHETHER FOR BREACH OF CONTRACT OR WARRANTY, STRICT LIABILITY, NEGLIGENCE OR OTHERWISE, SHALL NOT EXCEED THE AGGREGATE OF FEES PAID, IF ANY, TO EPRI FOR THE EPRI MATERIALS OR SERVICE INVOLVED IN THE CLAIM. IN NO EVENT WILL EPRI BE LIABLE FOR INDIRECT, SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES (INCLUDING, WITHOUT LIMITATION, LOST REVENUES OR PROFITS, LOST DATA, WORK STOPPAGE, COMPUTER FAILURE OR MALFUNCTION), EVEN IF ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. NO ACTION, REGARDLESS OF FORM, ARISING OUT OF THE TRANSACTIONS UNDER THIS AGREEMENT MAY BE BROUGHT BY LICENSEE MORE THAN ONE YEAR AFTER THE EVENTS WHICH GAVE RISE TO THE CAUSE OF ACTION OCCURRED. LICENSEE'S EXCLUSIVE REMEDY FOR BREACH OF ANY WARRANTY BY EPRI SHALL BE TERMINATION OF THIS AGREEMENT AS SET FORTH HEREIN.

5.03 Licensee shall indemnify and save harmless and defend EPRI from and against any and all claims, judgments, losses or expenses, legal or otherwise, occasioned from Licensee's use of the EPRI Materials or the breach of any of Licensee's obligations hereunder, provided that EPRI provides prompt notice of any claim upon discovery thereof.

#### **Article VI. Term and Termination.**

6.01 Unless sooner terminated under the provisions of this Article VI, this Agreement shall terminate on the twentieth (20<sup>th</sup>) anniversary of the Effective Date (the "Term").

6.02 [Reserved.]

6.03 EPRI may, on notice and with immediate effect, cancel orders, stop shipment of EPRI Materials and/or terminate this Agreement if: (i) Licensee breaches the payment, confidentiality, or license provisions hereof, (ii) insolvency or bankruptcy proceedings are voluntarily or involuntarily instituted against Licensee (Licensee shall give immediate notice to EPRI of its knowledge of such proceedings), (iii) Licensee attempts to assign this Agreement without EPRI's written approval, or (iv) Licensee substantially discontinues its business. EPRI may terminate this License if

Licensee breaches any other term of this Agreement and Licensee fails to cure the breach within thirty (30) days after being notified by EPRI of such breach. Upon termination by EPRI, Licensee shall have no right to receive any compensation for any goodwill relating to this Agreement, the EPRI Materials, any other amounts from EPRI, or ownership or other right whatsoever in or to the EPRI Materials. Licensee may terminate this License for convenience by providing EPRI thirty days prior written notice and payment of all fees due hereunder as of the effective date of termination.

6.04 Upon termination or expiration of this Agreement, Licensee shall have no further right to receive any subsequent change, addition, improvement or modification to the EPRI Materials previously licensed and delivered to Licensee hereunder, or any subsequent version of such EPRI Materials. Notwithstanding the foregoing, such termination shall not reduce any portion of a license term remaining on any of the EPRI Materials previously received by Licensee pursuant to this Agreement, subject to Section 6.01, unless the termination is due to a material breach or default by Licensee, in which case Licensee shall promptly return to EPRI all EPRI Materials (and all copies thereof) previously delivered.

6.05 Any termination shall be without prejudice to EPRI's rights hereunder. At termination, all outstanding obligations to pay fees due EPRI will become immediately due and payable. The parties' right to terminate this Agreement shall not be affected by any waiver of, or failure to take action with respect to, any previous default. Articles I, III, V, VII and any cause of action, which EPRI may bring, shall survive termination of this Agreement.

#### **Article VII. Miscellaneous.**

7.01 Licensee and EPRI shall comply with all laws, rules and regulations including, without limitation, all U.S. and foreign export laws and regulations. The parties agree that access to and use of EPRI Materials is hereby granted with the specific understanding and requirement that responsibility for ensuring compliance with all applicable U.S. and foreign export laws and regulations are being undertaken by Licensee. This includes an obligation to ensure that any individual receiving access hereunder who is not a U.S. citizen or permanent U.S. resident is permitted access under applicable U.S. and foreign export laws and regulations. The parties further agree that access to and use of EPRI Materials by Licensee's employees should be limited to a need to know basis, and subject to an executed confidentiality agreement between Licensee and said employee. Although EPRI may make an informal assessment of the applicable U.S. export classification for specific EPRI Materials, Licensee acknowledges that this assessment is solely for informational purposes and not for reliance purposes. Licensee acknowledges that it is still the obligation of Licensee to make its own assessment of the applicable U.S. export classification and ensure compliance accordingly. Licensee further understands and acknowledges its obligations to make a prompt report to EPRI and the appropriate authorities regarding any access to or use of EPRI Materials hereunder that may be in violation of applicable U.S. and foreign export laws or regulations.

7.02 Any notice, report or statement required to be given or made hereunder shall be considered properly given if sent by registered or certified mail, return receipt requested, postage paid to the respective addressee (with a copy to the EPRI Intellectual Property Department) of each party set forth in the signature block.

7.03 If any provision of this Agreement is held to be invalid or unenforceable, the remaining provisions of this Agreement will remain in full force. Waiver by either party for a breach of this

Agreement shall not constitute a waiver of any other breach. This Agreement, including Attachment A, together with the Participation Form constitute the complete agreement between the parties and supersedes all previous and contemporaneous agreements, written or oral, concerning the subject matter hereof. This Agreement may only be amended or terminated in a duly executed writing.

7.04 (a) Mediation. If a dispute arises out of or relating to this Agreement, or any breach thereof, and if such dispute cannot be settled through direct negotiation between the parties, the parties shall submit the dispute to mediation with a mediator to be mutually agreed upon by the parties. The mediation may be initiated by the written request of either party and sent to the other party, and shall be concluded within six (6) months of receipt of such notice, unless otherwise agreed by the parties.

(b) Arbitration. In the event of the failure of any such mediation as provided for under Subarticle 7.04(a) above, the parties shall then settle the dispute by binding arbitration to be conducted in Santa Clara County, California, in accordance with the rules then in effect of the American Arbitration Association by one (1) arbitrator appointed in accordance with such rules. The award rendered by the arbitrator shall be final and binding, and judgment may be entered upon it in any court having jurisdiction thereof. The proceedings shall be conducted in English. The parties consent to the venue and jurisdiction of the state and federal courts located in Santa Clara County, California, for matters related to the arbitration or the seeking of any injunctive relief as described below. Any arbitration award shall be enforceable in any court of competent jurisdiction and shall be enforceable under the terms of the United Nations Convention on the Recognition and Enforcement of Foreign Arbitral Awards. Any cash award shall be payable in U.S. Dollars through a bank in the United States. Notwithstanding the foregoing, the parties may apply to any court of competent jurisdiction for a temporary restraining order, preliminary injunction, or other interim or conservatory relief, as necessary, without breach of this arbitration agreement and without any abridgment of the powers of the arbitrator.

(c) Expenses. Each party shall bear its own expense (including attorneys' fees) of such mediation or arbitration proceeding, unless otherwise agreed by the parties.

(d) Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of California without reference to conflict of law principles. The intellectual property laws applied in connection with the EPRI Materials licensed under this Agreement shall also be the laws of the State of California, except for those matters which are the exclusive province of the United States Federal Courts (e.g., copyright and patent laws), which shall be governed by United States Federal law, including applicable international treaties in force to which the United States is a party.

7.05 EPRI and Licensee are independent contractors and shall so represent themselves in all regards. Neither party shall represent itself as an agent of the other party, or attempt to bind the other in any way. Licensee shall not assign this Agreement, or any of its rights or obligations hereunder, without obtaining EPRI's prior written consent. This Agreement shall be binding upon and inure to the benefit of the successors and assigns of the parties.

7.06 Licensee shall maintain complete and accurate records relating to its performance under this Agreement including, without limitation, the location of all EPRI Materials, and all related financial information. No more than once each year, at EPRI's expense and with fifteen days prior written notice, EPRI may audit Licensee's records relating to this Agreement during Licensee's normal business hours.

7.07 Except as otherwise expressly provided for herein: (i) no licenses are granted to Licensee for any EPRI Materials or EPRI Intellectual Property Rights, (ii) EPRI reserves all geographic markets for itself and other licensees, (iii) EPRI may appoint other licensees from time to time, and (iv) EPRI may use any other distribution channels or license fees for EPRI Materials. EPRI reserves all rights and remedies under copyright, trademark, patent, service mark, trade secret, unfair competition and other applicable laws, administrative regulations and all rights not expressly granted to Licensee herein.

7.08 This Agreement may be executed in any number of counterparts each of which shall be deemed an original but all of which together shall constitute one and the same instrument





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## Attachment A

### EPRI Materials

#### FTREX SOFTWARE

FTREX (Fault Tree Reliability Evaluation eXpert) is a minimal cut set generation algorithm developed by Korea Atomic Energy Research Institute ("KAERI"). FTREX can be used to quantify fault/event trees for a PRA (Probabilistic Risk Assessment) or fault trees for an on-line risk monitor (e.g., EPRI Phoenix Risk Monitor).

FTREX is owned by KAERI and made available to EPRI pursuant to a License Agreement between KAERI and EPRI. User Group participants have access to FTREX pursuant to license agreements with EPRI. EPRI provides technical support, bug diagnosis, interfacing to the Integrated Risk Technologies User's Group software, and training for FTREX.

FTREX can be used with current EPRI Integrated Risk Technologies User's Group applications on a personal computer with compatible operating systems.

FTREX is developed based on the coherent BDD (binary decision diagram) algorithms. FTREX has advanced features to assist in reducing the modeling or quantification uncertainty. In order to accelerate quantification of a fault tree, many different ideas have been implemented to fault tree restructuring, gate expansion, subset deletion, and data storage.

The software is provided in object form and includes a PDF of the user manual. Hardware requirements are identified in the user manual.