

THESE TERMS AND CONDITIONS ARE NOT FOR USE ON U.S. GOVERNMENT FUNDED ORDERS

**C64ES---Effective January 12, 2007
TERMS AND CONDITIONS OF PURCHASE
BASIC TERMS AND CONDITIONS
FOR GE CALEDONIAN LIMITED**

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BASIC TERMS AND CONDITIONS

1. Definitions: As used throughout this purchase order, the following terms shall have the meanings set forth below.
 - A) "PURCHASER" means the party contracting with Seller for Goods and/or services and identified as the purchasing entity on the face of the purchase order.
 - B) "GOVERNMENT" means the United States of America or any department or agency thereof.
 - C) "PRIME CONTRACT" means a contract which is defined by a government contract number in the schedule of this purchase order and under which this purchase order is made.
 - D) "SELLER" means the party contracting to perform the work hereunder.
 - E) "SUBCONTRACT," unless provided otherwise in this purchase order, means all contracts placed by the Seller or lower tier subcontractors for the specific purpose of performing any portion of the work under this purchase order, and includes, but is not limited to purchase orders and changes, or modifications thereto.
 - F) "FAR" means the Federal Acquisition Regulations.
 - G) "FAR SUPPLEMENT" means authorized supplements to the FAR, including the DOD FAR Supplement (DFARS).
 - H) "GOODS" means the product supplied by Seller under this purchase order, including without limitations all components, raw materials, and intermediate assemblies thereof.
 - I) "CONTRACT" means these conditions and any purchase order for Goods made subject to them.
 - J) "CAA" means The Civil Aviation Authority.
 - K) "JAA" means The Joint Airworthiness Authority.

2. TERMS AND CONDITIONS: Either Seller's written acknowledgement or Seller's full or partial performance under this purchase order, whichever occurs first, will constitute acceptance of all terms and conditions contained herein. Any acceptance of this purchaser order is limited to acceptance of the express terms of the offer set forth in this purchase order. Any proposal for additional or different terms or any attempt by Seller to vary in any degree any of the terms of this offer in Seller's acceptance or acknowledgement is hereby objected to and rejected, but such proposal shall not operate as a rejection of this offer unless such variances are in the terms of the description, quantity, price, or delivery schedule of the Goods but shall be deemed a material alteration thereof, and this offer shall be deemed accepted by the Seller without said additional or different terms. If this purchase order shall be deemed an acceptance of a prior offer by Seller, such acceptance is limited to the express terms set forth in this purchase order.

In the event of any inconsistency between these terms and any term contained in any purchase order, the latter shall prevail.

3. DISPUTE RESOLUTION:

(a) This Contract and any purchase order resulting as a consequence of this Contract shall be interpreted in accordance with the laws of the England and Wales, and the parties agree to submit to the non-exclusive jurisdiction of the courts of England and Wales. All disputes, differences concerning the interpretation or validity of this Contract or the rights and liabilities of either of the parties shall be finally settled under the rules of conciliation and arbitration of the International Chamber of Commerce by one or more arbitrators appointed in accordance with the said rules. The arbitration shall be held in London and any arbitrator's award shall not exceed actual compensatory damages. Invocation of this paragraph shall not relieve either party of any obligation, right or duty of performance arising under or related to this purchase order.

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(b) The parties agree that notwithstanding the mechanism of the dispute resolution referred to at (a) above, either party may seek any equitable, interim, provisional or injunctive relief from any court of competent the courts of the Purchaser's place of business or incorporation have concurrent or exclusive jurisdiction in relation to the subject matter of the dispute.

4. **PACKAGING REQUIREMENTS:** Packaging requirements are contained in GEES Standard Remark E12ES listed on this purchase order.

5. **DELIVERY & TRANSPORTATION:**

5.1 Part Supply Orders

A) Goods covered by the Contract shall be shipped by the Seller utilizing the Purchaser's Nominated Freight Agent in accordance with ICC Inco terms, 2000 edition. For shipments to the Purchaser's facility, Inco term FCA Seller's facility will apply unless otherwise agreed.

B) The Goods covered by this order shall be delivered to the address stated in the order during Purchaser's usual business hours.

C) Where the date of delivery of the Goods covered by this purchase order is to be specified after the placing of the order Seller shall give Purchaser reasonable notice of the specified date.

D) Purchaser may (without prejudice to any other of its rights under this Contract or at law) serve a written notice requiring time for delivery of the Goods to be of the essence.

E) A packing note quoting the number of the purchase order must accompany each delivery or consignment of the Goods and must be displayed prominently.

F) If the Goods are to be delivered by installments the contract is to be treated as a single contract and not severable.

G) Purchaser shall be entitled to reject any Goods delivered which are not in accordance with the Contract and shall not be deemed to have accepted any Goods until Purchaser has had a reasonable time to inspect them following delivery or, if later, within a reasonable time after any latent defect in the Goods has become apparent.

H) Seller shall supply Purchaser in good time with any instructions or other information required to enable Purchaser to accept delivery of the Goods.

I) Purchaser shall not be obliged to return to Seller any packaging or packing materials for the Goods, whether or not any Goods are accepted by Purchaser.

J) Where the Purchaser has negotiated a Freight Agreement which has resulted in the appointment of the Purchaser's Nominated Freight Agent, who shall be fully responsible for the transportation of the Purchaser's parts in relation to overseas vendors, it is hereby agreed that, in relation to Goods covered by this Agreement, the Seller shall utilize the Purchaser's Nominated Freight Agent who shall operate a comprehensive "door to door" service for all said Goods. The Purchaser's Nominated Freight Agent shall be fully responsible for all aspects of the shipping contract including customs clearance, charges and duties, export licenses etc. The Purchaser's Nominated Freight Agent shall be given authority by the Seller to operate under the Seller's Power of Attorney in accordance with this Agreement

K) Where transportation of the Goods from the Seller's facility is undertaken by the Purchaser's Nominated Freight Agent, title and risk of damage to or loss of such Goods shall transfer from the Seller to the Purchaser at the recognised point of collection.

L) Where transportation of the Goods from the Seller's facility is undertaken by the Seller's Nominated Freight Agent, title to and risk of damage to or loss of all Goods being shipped shall pass from the Seller to the Purchaser upon receipt of the Goods by the Purchaser at the Purchaser's facility.

M) Each party warrants to the other that it will, at the time of the relevant transfer, have title or the right to transfer title in the Goods and that such title will be transferred free of all liens and encumbrances in favor of any third party.

N) Seller shall keep the Goods insured at its own cost against all insured risks until such time as the Goods are transferred to Purchaser's care, custody and control.

5.2 Repair Orders - With respect to repair orders, in addition to the provisions set forth above, the following shall apply:

A) The Purchaser shall negotiate with the Purchaser's Nominated Freight Agent competitive rates for transportation and other necessary shipping services, and these charges shall be passed through to the Purchaser via the repair invoice.

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B) Any costs associated with the transportation of Goods between the Purchaser and the Seller incurred under this Contract, other than the cost of freight and duties which the Seller shall be entitled to recharge to the Purchaser in accordance with clause 5.2(A) shall be borne by the Seller. The Purchaser will allow the Seller or the Purchaser's Nominated Freight Agent to use the Purchaser's End User and VAT deferment number when re-importing Goods covered by this Agreement into the United Kingdom after repair. It is anticipated that all Goods under this Agreement will be known as Civil Aircraft Parts and as such will be subject to end use regulations.

C) At agreed intervals the Purchaser's Nominated Freight Agent shall invoice the Seller, at the contracted rates, the actual freight and duty charges incurred relative to the Purchaser's shipments and the Seller shall be fully responsible for the payment of those charges.

D) Seller and/or the shipping agent shall provide and retain documentation which shall prove to the satisfaction of HM Customs & Excise (or any other governmental department or agency) the import or export to or from the United Kingdom of the Goods so that the price for the Goods payable to Seller pursuant to this Contract may be relieved of United Kingdom Value Added Tax. Should such documentation not be provided, Purchaser shall invoice and Seller shall pay any such United Kingdom Value Added Tax incurred by Purchaser.

E) For shipments from the Sellers facility, Inco term DDU, customs cleared Purchaser's facility will apply. For shipments to the Seller's facility in the USA, Inco term DDP Sellers facility will apply. For Sellers not located within the USA shipments to the Sellers facility, Inco term DDU Sellers facility will apply.

F) Where transportation of the Goods from the Purchaser's facility is undertaken by the Purchaser's Nominated Freight Agent, risk of damage to or loss of such Goods shall transfer from the Purchaser to the Seller at the designated point of delivery.

G) Where transportation of the Goods from the Purchaser's facility is undertaken by the Seller's Nominated Freight Agent, risk of damage to or loss of such Goods shall transfer from the Purchaser to the Seller upon collection of the Goods at the Purchaser's facility.

6. **ANTICIPATION OF DELIVERY SCHEDULE:** Unless otherwise agreed to in writing, Seller shall not make material commitments or production arrangements in excess of the amount or in advance of the time necessary to meet firm delivery schedules that are within lead time. It is Seller's responsibility to comply with its scheduled lead times but not to anticipate Purchaser's requirements. Goods shipped to Purchaser in advance of scheduled lead times may be returned to Seller at Seller's expense.

7. **DELAY AND DEFAULT:** In the event Seller for any reason anticipates any difficulty in complying with the required delivery date, or in meeting any of the other requirements of this purchase order, Seller shall promptly notify Purchaser in writing or electronic mail system. In the event of non-delivery, breach, or any other default by Seller, Purchaser will have the right (without prejudice to any other right it may have) to reject the Goods and/or to cancel the purchase order.

8. **PURCHASER'S PROPERTY:**

(a) All tangible and intangible property, including but not limited to tools, tool drawings, materials, processes, procedures, process parameters, drawings, computer software, documents, information or data of every description furnished to Seller by Purchaser, or by Purchaser's affiliates, subsidiaries or contractors, or paid for in whole or in part by Purchaser, and any replacement thereof, or any materials affixed or attached thereto, shall be and remain the personal property of Purchaser, and, unless otherwise agreed to in writing by Purchaser shall be used by Seller solely to render services or provide products to Purchaser. Such property, and whenever practical each individual item thereof, shall be plainly marked or otherwise adequately identified by Seller as being the property of Purchaser or Purchaser's designee, and shall be safely stored separate and apart from Seller's property. Seller shall not substitute any property for Purchaser's property and shall not use such property except in filling Purchaser's purchase orders. Such property while in Seller's custody or control shall be held at Seller's risk and shall be insured by Seller for replacement cost with loss payable to Purchaser. Such property shall be subject to removal at Purchaser's written request, in which event Seller shall prepare such property for shipment and shall deliver it as directed by Purchaser in the same condition as originally received by Seller, reasonable wear and tear excepted, all at Seller's expense.

(b) Purchaser hereby grants Seller a license to use the tools, drawings, specifications (including Purchaser's 'S' specifications), processes, procedures, process parameters, computer software, and other data (hereinafter collectively

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referred to as "Data") furnished by the Purchaser, or by Purchaser's affiliates, subsidiaries or contractors, or paid for in whole or in part by Purchaser hereunder for the sole purpose of performing this order for Purchaser. All Data is the property of Purchaser and shall not be used, disclosed to others or reproduced for any purpose, including, but not limited to, the design, manufacture or repair of parts or to obtain FAA or other government approval to do so; provided; however, Seller may provide Data furnished or paid for in whole or in part by Purchaser hereunder to Seller's contractors for the sole purpose of enabling Seller's contractors to assist Seller in performing this purchase order for Purchaser and on condition that Seller's contractors agree in writing for Purchaser's benefit to the terms of Articles 8, 10 and 20 hereof. This license is nonassignable, and this license is terminable with or without cause by Purchaser at any time. All Data furnished or paid for by Purchaser shall be deemed to be proprietary property to Purchaser, whether or not it is marked with any restrictive legend.

(c) Upon completion of performance of all of the Purchase Order requirements including but not limited to the record retention requirements set forth in Article 15, the Seller shall destroy all Data furnished by the Purchaser for the sole purpose of performing the Purchase Order. The Purchaser may require the Seller to provide a certification of the destruction of Data pursuant to Article 34.

(d) Purchaser shall have the right to audit all pertinent books and records of Seller, and to make reasonable inspections of Seller's facilities to verify compliance with this Article 8 and Article 20.

(e) In the event Seller, without Purchaser's prior written consent and authorization, designs or manufacturers for sale to any person or entity other than Purchaser any hardware that is substantially similar to or can replace or repair a GE or CFMI part, or obtains FAA or other governmental approval for such hardware or repair, the Seller, in any adjudication involving or relating to Purchaser's Data, shall be required to establish by clear and convincing evidence that neither Seller nor any of its employees, contractors or agents used in whole or in part, directly or indirectly any of Purchaser's Data in such design or manufacture or in obtaining FAA or other governmental approval with respect to such hardware or repair.

(f) In the event Seller is notified by Purchaser that Goods ordered under this purchase order are patented, Seller agrees to mark such Goods with any patent numbers or other markings designated by Purchaser, including updates to such numbers or markings.

9. CHANGES:

(a) Purchaser at any time shall have the right to make changes to the Purchase Order including without limitation changes to the quantities, specifications or delivery schedule.

(i) Any such change which has a significant impact shall entitle either Seller or Purchaser to an equitable adjustment. However, no additional charge will be allowed unless authorized by Purchaser's written amendment to this purchase order. Information, such as technical direction or guidance provided to Seller by representatives of the Purchaser in connection with the Seller's performance of this purchase order, shall not be construed either as a change within the meaning of this provision or as direction to proceed outside the scope of this purchase order.

(ii) If Seller considers that the conduct of any of Purchaser's employees has constituted a change hereunder, Seller shall notify Purchaser immediately in writing as to the nature of the change and its effect on Seller's performance including delivery schedule and the amount to be paid to Seller. Pending written direction from the Purchaser, after negotiation of any adjustments, Seller shall take no action to implement such Change.

(iii) In any event, the maximum liability of the Purchaser for obsolescence, scrappage, and/or rework resulting from any change shall be limited to the value of the materials and parts in process at the time of the change, to the extent that such parts are within Seller's normal manufacturing cycle required to meet the established delivery schedule. Purchaser shall have no liability hereunder for cost of obsolescence, scrap, rework of materials and parts which Seller has released for manufacture in advance of Seller's normal manufacturing process without Purchaser's prior written consent.

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(b) Changes in delivery schedules will be communicated to the Seller via the purchase order which will be mailed to the Seller, transmitted via Electronic means, or made available via a web based application.

(c) Nothing in this clause 9, including any disagreement with Purchaser as to the equitable adjustment to be made, shall excuse Seller from proceeding with the purchase order as changed.

10. SELLER'S INFORMATION:

(a) Notwithstanding any document marking to the contrary, any information, knowledge or data which Seller has disclosed or may hereafter disclose to Purchaser, or Purchaser's affiliates, subsidiaries or contractors, incident to the placing and filling of this purchase order shall not be deemed to be confidential or proprietary information. Accordingly Purchaser shall not be liable for any use or disclosure thereof.

(b) With respect to any information, knowledge or data disclosed to Purchaser, or Purchaser's affiliates, subsidiaries or contractors, by Seller, Seller warrants that it has the full and unrestricted right to disclose the same to Purchaser, or Purchaser's affiliates, subsidiaries or contractors, without incurring legal liability to others, and that Purchaser, and Purchaser's affiliates, subsidiaries or contractors, shall have full and unrestricted right to use and disclose the same as it may deem fit. Seller warrants that in the conduct of work under the order, Seller shall not use confidential or proprietary information of any third party for which Seller does not have transferable license rights and if such information is in, or comes into, Seller's possession, during the term of the order, Seller shall not communicate or otherwise disclose such confidential or proprietary information to Purchaser, or Purchaser's affiliates, subsidiaries or contractors.

(c) Except as otherwise agreed in writing with Purchaser, Seller warrants that it is not the proprietor of any intellectual property rights (including copyright, trade secret, patent, application for patent, invention or license right) which would impair or restrict the freedom of Purchaser, or Purchaser's subsidiaries and affiliates, and their respective vendors and customers, to make use of the service rendered, work product called for or produced under this order. In the event that this situation changes, Seller hereby agrees not to assert any such intellectual property rights against Purchaser, Purchaser's subsidiaries and affiliates, and their respective vendors and customers, on account of any use made of such work product (or derivatives or improvements thereof) by any of them.

(d) Seller agrees to obtain the same warranty and commitment contained in this Article 10 running in favor of Purchaser, Purchaser's subsidiaries and affiliates and their respective vendors and customers from each of Seller's subcontractors.

11. ASSIGNMENT AND CHANGE IN OWNERSHIP:

(a) Any assignment of this purchase order or any interest therein without the advance written consent of Purchaser, shall be void.

(b) If a third party submits a solicited or unsolicited offer to Seller that would result in a Change of Ownership or Control of Seller, as defined below, Seller shall give notice of such offer to Purchaser as early as commercially practical following Seller's receipt of the offer. The notice shall include the identity of the offeror, the date and time of the offer and the conditions of the offer. Before Seller accepts the offer, it shall give Purchaser an opportunity, within a reasonable time, to advise Seller of its objection to the offer. If, despite Purchaser's objections, the Change in Ownership or Control to the third party occurs, Purchaser has the right at its discretion to terminate this order for default under Article 7 and at no cost to Purchaser. In the event of such termination, Seller agrees to render full cooperation to Purchaser in order to minimize disruption to the Purchaser's program. In lieu of termination, Purchaser may require Seller to provide adequate assurance of performance, including, but not limited to the institution of special controls regarding the protection of Purchaser's proprietary information.

For purposes of this sub-paragraph b, the term "Change in Ownership or Control" shall mean any of the following: i) the sale of equity shares controlling 20% or more of the voting rights in Seller, ii) the sale, lease, transfer or other disposition of substantially all of the assets of Seller or Seller's parent, iii) a merger, reorganization, consolidation, share exchange, recapitalization, business combination, liquidation or dissolution or similar transaction, iv) a tender offer or exchange offer

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for any of the outstanding shares of capital stock of Seller, v) a sale by Seller of the assets relating to the product Seller produces or will produce for Purchaser or vi) any public disclosure of a proposal or plan or intention to do any of the foregoing.

12. SET-OFF: Purchaser shall be entitled to set off any amount owing from Seller to Purchaser arising under any contract whatsoever against any amount payable under this order.

13. WORK ON PURCHASER'S OR ITS CUSTOMER'S PREMISES:

If Seller's work under any purchase order involves operations by Seller on the premises of Purchaser or one of its customers ("Premises"), then:

(A) Seller shall comply with all of Purchaser's safety and security procedures and shall take all necessary precautions to prevent the occurrence of any injury to person or property during the progress of such work. Seller shall maintain such insurance coverage(s) as set forth in Article 29, Indemnity and Insurance.

(B) The Seller shall ensure that it complies with all applicable local, regional, and national legislation and/or regulations related to drug testing.

(C) Where a Seller's employee may be required to access Premises pursuant to any purchase order, the Seller shall ensure that either he is in possession or confirms he has seen a criminal conviction certificate in respect of the employee concerned.

(D) The Seller shall not assign any employee to access a Premises under any purchase order where:

- (i) the Seller is not in possession or has not seen a criminal conviction certificate in respect of that employee; or
- (ii) the criminal conviction certificate reveals that the employee has been convicted of an offence

(E) The Seller shall ensure that the provisions of this clause are included in any subcontract pursuant to any purchase order with a subcontractor who will perform work on Premises.

(F) Purchaser reserves the right to deny access to Purchaser's or its customer's premises to any person who appears on government-issued lists of terrorists, suspects, etc., such as the Department of State, Arms Export Control Debarment List; Department of State, Proliferation List; Department of Commerce, Denied Parties List; and Department of Treasury, Specially Designated National List.

14. INSPECTION: All work performed pursuant to these terms and conditions (including but not limited to goods, services, and any other deliverables) including, but not limited to, engineering and design/development work, shall comply with all applicable specifications and other requirements of these terms and conditions and shall be subject to inspection and test by Purchaser and its customer at all times and places, including the period of manufacture.

If any inspection or test is made on the premises of Seller or its supplier, Seller, without additional charge, shall provide all reasonable facilities and assistance for the safety and convenience of the inspectors in the performance of their duties. All inspections and tests on the premises of Seller or its supplier shall be performed in such a manner as not to unduly delay the work.

Purchaser's failure to inspect and accept or reject Goods or services shall neither relieve Seller from responsibility for such Goods or services as are not in accordance with the purchase order requirements nor impose liabilities on Purchaser therefore. The inspection or test of any item by Purchaser shall not relieve Seller from any responsibility regarding defects or other failures to meet purchase order requirements which may be discovered subsequently.

For engine components and other ancillary components, Seller shall provide and maintain quality control, inspection, and process control systems acceptable to Purchaser and its customer in accordance with Purchaser's then current supplier

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quality product requirements, as applicable. Records of all inspection work by Seller shall be kept complete and available to Purchaser and its customer.

15. **RECORD RETENTION REQUIREMENTS:** Seller shall maintain for four (4) years purchase order files for supplies, equipment, material, or services including supporting documentation and back-up files including, but not limited to, invoices and memoranda, e.g., memoranda of negotiations showing the principal elements of price negotiations. Product acceptance records, including inspection records, material certifications, and acceptance test records, shall be retained in accordance with Purchaser's then current supplier quality specification requirements.

16. **SALES TAX:** All sums payable under this purchase order shall be exclusive of VAT or other sales tax which shall (if applicable) be payable in addition to the Purchaser. In the event of a conflict between this Article 16 and any other provision of this purchase order, this Article 16 shall prevail.

17. **RELEASE OF INFORMATION:** Seller shall not make any announcement, take or release any photographs (except for its internal operation purposes for manufacture and assembly of goods), or release any information concerning this Order or any part thereof or with respect to its business relationship with Purchaser, to any third party, member of the public, press, business entity, or any official body except as required by applicable law, rule, injunction or administrative order, without Purchaser's prior written consent. Purchaser's written approval, if granted, will be subject to any "Acknowledgment of Sponsorship" clause in Purchaser's Government Prime Contract,, if applicable. Further, Seller or its agents shall not use Purchaser's name, photographs, logo, trademark, or other identifying characteristics or that of any of its subsidiaries or affiliates without Purchaser's prior written approval.

18. **PARTS COMPLIANCE AND MATERIALS TEST CERTIFICATION:**

(A) By acceptance of purchase order, Seller certifies that, except as specifically reported by Seller to Purchaser in accordance with Purchaser's reporting requirements, Goods supplied shall conform to all requirements of this purchase order, including S-485 Engine Services Quality System requirements for suppliers and subcontractors or other referenced specifications in effect as of the date of purchase order placement or as modified pursuant to the "Changes" clause, and that objective evidence* of conformance with quality specifications is in place or on file as required by purchase order and available for examination by Purchaser.

*"OBJECTIVE QUALITY EVIDENCE" shall mean any statement of fact pertaining to the quality of a product or service based on observations, measurements or tests that can be fully verified. Evidence must be expressed in terms of specific quality requirements or characteristics. These characteristics are identified in drawings, specifications, and other documents which describe the item, process, or procedure.

(B) Seller warrants to Purchaser that the Goods supplied pursuant to this purchase order:

- (i) will be of satisfactory quality (within the meaning of the Sale of Goods Act 1979, as amended) and fit for any purpose held out by Seller or made known to Seller at the time the order is placed;
- (ii) will be free from defects in design, material and workmanship;
- (iii) will correspond with any relevant specification or sample; and
- (iv) will comply with all statutory requirements and regulations relating to the sale of the particular Goods.

(C) Without prejudice to any other remedy, if any Goods supplied pursuant to this purchase order are not supplied in accordance with this Contract, then Purchaser shall be entitled:

- (i) to require Seller to repair the Goods or to supply replacement Goods in accordance with the Contract within 7 days; or
- (ii) at Purchaser's sole option (and whether or not Purchaser has previously required Seller to repair the Goods or to supply and replace Goods) to treat the contract as discharged by Seller's breach and require the repayment of any monies which Purchaser may have paid.

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(D) Seller shall indemnify Purchaser for and against all liability, loss, damages, costs and expenses (including legal expenses) awarded against or incurred or paid by Purchaser as a result or in connection with:

- (i) breach of any warranty given by Seller in relation to the Goods;
- (ii) any claims that the Goods infringe or that importation use or resale infringes the patent, copyright, design right, trade mark or other intellectual property rights of any other person except to the extent that the claim arises from compliance with any specification supplied by Purchaser;
- (iii) any liability under the Consumer Protection Act 1987 (or any other subsequent or relevant legislation) in respect of the Goods; and
- (iv) any act or omission of Seller or its employees, agents or sub-contractors in supplying, delivering and installing the Goods.

19. RESERVED

20. INTELLECTUAL PROPERTY RIGHTS INDEMNITY: Seller shall indemnify and save Purchaser and its customers harmless from and against any expense or liability, including costs, fees and damages, arising out of any claim, suit or proceeding that the manufacture or furnishing of Goods and/or services under this purchase order, or the use of such Goods (without modification or further combination) or sales of such Goods constitutes infringement of any Intellectual Property . If an injunction or prohibition should issue, Seller shall procure for Purchaser and its customers the rights to continue using said Goods, or modify them in a manner acceptable to Purchaser so they become non-infringing, or with the written approval of Purchaser, remove said Goods and refund the purchase price. For the purposes of this Clause 20, Intellectual Property shall mean any patent, know-how, trademark, copyright, design right or other intellectual property rights whether registered or otherwise which exists in relation to the provision of the services or Goods ordered in accordance with this Contract.

21. STANDARD TERMS OF SETTLEMENT:

- (a) STANDARD: Unless Purchaser chooses the accelerated payment program described in (b) below, Purchaser's standard terms of settlement shall be issuance of payment of the full invoiced amount (not discounted) to Seller within ninety (90) days (meaning within 90 days of the Payment Start Date (as defined in (d) below)). Settlement and invoicing must be paperless, and in a format acceptable to Purchaser. Seller must provide banking information to establish electronic funds transfer for U.S. suppliers and wire transfer for non-U.S. suppliers.
- (b) ACCELERATED PAYMENT PROGRAM: Purchaser reserves the right to choose the settlement of invoices with Seller by using Purchaser's accelerated payment program as follows: Seller agrees to accept the invoice amount discounted by two and one-half percent (2.5%), in exchange for Purchaser's initiation of payment on the 15th day following the Payment Start Date (as defined in (d) below) ("net 15 less 2.5 %"). If payment is initiated earlier than such 15th day, the invoice amount may be further discounted to reflect substantially similar economics as "net 15 less 2.5%".
- (c) USE OF GECF : Funding for accelerated payment of invoices under the Purchaser accelerated payment program will be provided by General Electric Commercial Finance (" GECF"). If Purchaser chooses to settle an invoice pursuant to the accelerated payment program, the following shall occur: (1) title to the Goods that are being delivered shall pass directly to GECF consistent with clause 5 above; (2) once title to the Goods has passed to GECF , GECF will immediately and directly transfer title to Purchaser; and (3) any and all of the Seller's obligations under this purchase order, including Seller's representations and warranties, shall extend to and benefit Purchaser as if title passed directly to Purchaser.
- (d) PAYMENT START DATE: As used in this clause 21, the "Payment Start Date" shall be:
 - (i) For receivable material and/or services: From the latest of (a) the manufacturing required date as identified on the part schedules report, (b) the material received date as identified in Purchaser's computer system, or (c) the invoice date; and,

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- (ii) For non-receivable material and/or services: From the invoice date; invoices for services must be dated no earlier than the last day of the period of time during which services that are the subject of the invoice were provided.
- (e) REPAIR INVOICES: With respect to Repair Invoices, Seller shall comply with clause 21(a-d) in its entirety. Seller shall also ensure that the Purchaser receives a pro-forma invoice not later than 10 days after receipt of the goods for repair or overhaul at the Seller's premises. In the event that goods are unable to be made serviceable at the 10 day invoice value whilst undergoing repair, such interim invoice will be adjusted by the submission of one final invoice, but in any case will be not later than 30 days after receipt of the goods for repair or overhaul at the Seller's premises unless mutually agreed otherwise.
- (f) COST REIMBURSEMENT ORDERS: If this is a cost type purchase order, the frequency of invoicing shall be as stated in the body of this purchase order, and unless otherwise stated, shall not be more frequent than once each thirty (30) calendar days. Invoices will be processed for payment in accordance with Purchaser's standard terms of settlement. Payment will require approval of the invoice by the cognizant engineer.

Pro-forma invoices shall be sent to the Purchaser's nominated Buying Representative as specified on the order.

22. EXPORT AND INTERNATIONAL TRAFFIC-IN-ARMS REGULATIONS: Seller agrees to comply with all export regulations and the international traffic-in-arms regulations (ITAR) including, but not limited to, Parts 122 entitled "Registration of Manufacturer and Exporter" and 130 entitled "Political Contributions, Fees and Commissions." In the event Seller is supplying defense articles hereunder, Seller agrees to maintain a valid and current Directorate of Defense Trade Controls (DDTC) registration. Seller shall provide its DDTC registration status (whether registered or not with) and expiration date to Purchaser and promptly advise Purchaser of any updates or changes to such information, in the format requested by Purchaser.

With respect to defense articles and services furnished hereunder, Seller certifies that it has not paid, offered or agreed to pay, and agrees that it shall not pay, offer or agree to pay, for the purpose of soliciting, promoting or otherwise to secure the sale of defense articles and services to or for the use of the armed forces of an international organization or non-U.S. country, any (i) fees or commissions in excess of \$1,000 or (ii) political contribution (including any gift, rebate or payment of expenses) to a non-U.S. person or entity.

If Seller intends to conduct work for Purchaser in a foreign country, including but not limited to the use of Seller's own facility outside of the U.K. or the use of a foreign affiliate or unrelated subcontractor, Seller must provide advance written notification to Purchaser. Seller is responsible for compliance with applicable export control laws and regulations and for obtaining all export control licenses required by law or requested by Purchaser

23. ENVIRONMENTAL MATTERS:

A. Certifications, Representations and Warranties.

- 1. Supplier represents, warrants, certifies and covenants that it shall perform all activities required under this purchase order in compliance with all applicable national, EU, state/provincial and local environmental, health and safety laws and regulations;
- 2. Supplier represents, warrants, certifies and covenants that it will take appropriate actions to provide a safe and healthy workplace, and to protect local environmental quality in all of its activities.
- 3. Supplier represents, warrants, certifies and covenants that each chemical substance constituting or contained in goods sold or otherwise transferred to GE hereunder is on the list of chemical substances compiled and published by (a) the Administrator of the Environmental Protection Agency pursuant to: the Toxic Substances Control Act (15 USC Section 2601 et seq.) as amended; or (b) the European Inventory of Existing Commercial Chemical Substances (EINECS) or the European List of Notified Chemical Substances

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(ELINCS); or (c) any equivalent lists in any other jurisdictions to which GE informs Supplier the goods likely will be shipped.

4. Unless GE expressly agrees otherwise in writing as an addendum to this purchase order, Supplier represents, warrants, certifies and covenants that none of the goods supplied under this purchase order contains any: (a) lead, mercury, cadmium, hexavalent chromium, polybrominated biphenyls (PBB), polybrominated diphenyl ethers (PBDE), arsenic, asbestos, benzene, polychlorinated biphenyls (PCBs), carbon tetrachloride, beryllium, or radioactive materials; (b) where applicable, hazardous substances the use of which is restricted under EU Directive 2002/95/EC (27 January 2003)(RoHS Directive), as amended; (c) chemical restricted under the Montreal Protocol on ozone-depleting substances; or (d) other chemical the use of which is restricted in any other jurisdictions to which GE informs Supplier the goods are likely to be shipped.
5. Unless specifically defined as a requirement by GEAE engineering drawings or specifications, the use of cadmium plating or nickel cadmium plating is strictly prohibited in the manufacture of this Good. The use of cadmium plating or nickel cadmium plating is strictly prohibited on all tooling, fixturing, and test equipment that is used for manufacturing, assembly, test, or material handling of the Good unless Seller has notified Purchaser in advance and has obtained its prior written consent to such use. Approval shall not be granted where there is a potential for Seller's Good to come into contact with titanium containing items.
6. Supplier represents, warrants, certifies and covenants that, except as specifically listed in a mutually agreed, written addendum to this purchase order, none of the goods supplied under this purchase order are regulated as "electrical or electronic equipment" under EU Directive 2002/96/EC (27 January 2003)(WEEE Directive), as amended.
7. Products supplied under this purchase order may be exported worldwide, including to countries that forbid the importation of products manufactured with child labor or with forced, indentured or convict labor. Consequently, Supplier represents, warrants, certifies and covenants that no products supplied under this purchase order have been or will be produced utilizing forced, indentured or convict labor, or utilizing the labor of persons in violation of the minimum working age law in the country of manufacture, or in violation of minimum wage, hour of service, or overtime laws in the country of manufacture.
8. Supplier represents, warrants, certifies and covenants that it has established an effective program to ensure that the activities of any suppliers it utilizes to provide any goods or services that will be incorporated into the goods supplied under this purchase order will be conducted in conformance with sub-parts 23. A1 to A7 above.

B. Covenants

1. If any goods or other materials sold or otherwise transferred to GE hereunder contain hazardous materials, Supplier shall identify hazardous materials contained in Goods delivered to Purchaser, provide Material Safety Data Sheets ("MSDS") for such Goods, and, where applicable; (a) comply with the OSHA Hazard Communication Standard, 29 CFR 1910.1200 ("HAZCOM"); or (b) similar EU MSDS/labeling requirements; or (c) any similar requirements in any other jurisdictions to which GE informs Supplier the goods are likely to be shipped. For each such material, identification shall reference the stock or part number of the delivered Goods. Hazardous materials include, but are not limited to, materials embedded in a delivered Good in such a manner as to present a potential for personal injury or harm or property damage in the course of normal use, repair, accidents or disposal. All MSDS forms and hazard warning labels required under this section and HAZCOM shall be provided to General Electric Company, Group Environmental Affairs & Safety, One Neumann Way, M/D T165, Cincinnati, OH 45215.
2. Where applicable, for any goods specifically listed in a mutually agreed written addendum to this purchase order as "electrical or electronic equipment" covered by the WEEE Directive as amended, Seller agrees to assume responsibility for taking back those goods in the future upon the request of Buyer and treating or

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otherwise managing them in accordance with the requirements of the Directive and applicable national implementing legislation. Seller also agrees to take back as of the date of this purchase order the used goods currently owned by Buyer or to arrange with a third-party to do so in accordance with all applicable requirements. No additional charge will be sought by Seller and no additional payments will be due from Buyer for Seller's agreement to undertake these responsibilities.

3. From time to time, at GE's request, Supplier shall provide certificates to GE relating to any applicable legal requirements or to update sub-part A of this purchase order, in each case in form and substance satisfactory to GE.
4. Supplier shall permit GE or its representatives to have reasonable access to the sites where the work under this purchase order is performed and to its employees in order to assess (1) work quality, (2) conformance with GE's specification, and (3) conformance with Supplier's representations, warranties, certifications and covenants under this purchase order.

Seller agrees to notify Purchaser in writing within five days after learning of any significant event involving any of its manufacturing processes that may affect Seller's ability to comply with its obligations under this purchase order, including but not limited to, any spill, leak or release to the environment which also requires notification to a state or federal agency, including, but not limited to: (a) the date of release; (b) the quantity and type of material released; (c) efforts to clean up the material released; and (d) efforts to mitigate impacts from the release. Notices shall be provided to General Electric, Group Environmental Affairs & Safety, One Neumann Way, M/D T165, Cincinnati OH 45215, phone: (513) 672-3982.

24. **CLASSIFIED INFORMATION:** Upon completion of work by Seller under this order, Seller shall return to Purchaser all classified information furnished by Purchaser in connection herewith, including all reproductions thereof, then in Seller's possession or control, and Seller shall surrender classified information or materials developed by Seller in connection with this order, unless the information has been destroyed or the retention of the information is authorized in writing by Purchaser or the government.

25. **TERMINATION:** Purchaser may terminate all or any part of the Order for convenience at any time. The Purchaser shall terminate by delivery to Seller of a notice of termination specifying the extent of termination and the effective date.

After receipt of a notice of termination, and except as directed by Purchaser, Seller shall immediately: (1) stop work as directed in the notice; (2) place no further subcontracts or orders for materials, services, or facilities, except as necessary to complete the continued portion of the purchase order; and (3) terminate all Subcontracts to the extent they relate to work terminated. After termination, Seller shall submit a final termination settlement to Purchaser in the form and in the manner prescribed by Purchaser.

In the event that Purchaser wrongfully terminates this purchase order for default, in whole or in part, such termination becomes a termination for convenience under this Article 25.

Seller agrees to waive any claim when a reduction in the quantity on order has an order value which is under \$1,000.00.

When a change in requirements results in a quantity reduction those quantities will be deleted from the delivery schedules on the basis that any quantity with incurred cost will be consumed by future deliveries. Should the quantity with incurred cost not be consumed, this Article 25 applies.

Purchaser shall be entitled to terminate this Contract without any liability whatsoever to Seller by giving notice to Seller at any time if:

- (i) Seller makes any voluntary arrangement with its creditors (within the meaning of the Insolvency Act 1986) or (being an individual or firm) becomes bankrupt or (being a company) be subject to an administration order or goes into liquidation (otherwise for the purposes of amalgamation or reconstruction); or
- (ii) an encumbrancer takes possession or a receiver is appointed of any of the property or assets of Seller; or

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- (iii) Seller ceases or threatens to cease to carry on business; or
- (iv) Purchaser reasonably apprehends that any of the events mentioned above is about to occur in relation to Seller and notifies Seller accordingly.

26. RESERVED

27. LIEN: In the event items will be bailed to Seller or progress payments will be made, Seller hereby grants Purchaser a security interest in equipment, machinery, contract rights, inventory, goods, merchandise and raw materials, whether now existing or hereafter arising, and any replacements, improvements, substitutions, attachments, accessories and accessions thereto or thereon provided by Purchaser or purchased by Seller with progress payments or advances made by Purchaser and to be used by Seller in manufacturing products ordered by Purchaser under this purchase order. Seller agrees to execute and deliver all documents requested by Purchaser to protect and maintain Purchaser's lien.

28. OFFSET REQUIREMENTS: Seller recognizes, as part of this purchase order, that Purchaser may incur international offset and/or revenue sharing obligations which could involve Goods placed under this purchase order. Should any quantity of a Good or Goods placed hereunder become necessary to support such other agreements during the term of this purchase order, Purchaser reserves the right to remove that portion from this purchase order. Any adjustment in forecasted or firm quantities will be pursuant to the Article 9, changes. No adjustment in firm released quantity or schedules will be made within a twelve (12) month delivery period after notification or lead time away, whichever is longer, as a result of this Article 28.

29. INDEMNITY AND INSURANCE

(a) Seller shall defend, indemnify, release and hold harmless the Purchaser, its directors, officers, employees, agents representatives, successors and assigns (each an "Indemnified Party"), whether acting in the course of their employment or otherwise, against any and all suits, actions, or proceedings, at law or in equity, and from any and all claims, demands, losses, judgments, damages, costs, expenses (including attorneys' fees), or liabilities (including without limitation claims for personal injury or property damage, claims or damages payable to customers of Purchaser, and breaches of Seller's obligations, representations, warranties, covenants and/or certifications set forth elsewhere in this Agreement including but not limited to Articles 8, 17, 23, 34 and 39) arising from any act or omission of Seller, its agents, employees, or subcontractors, or from any conditions of real or personal property of Seller, except to the extent attributable to the sole and direct gross negligence of Purchaser. An Indemnified Party shall have the right to participate in the selection of counsel and Seller shall not enter into any settlement agreement that contains any admission of liability on the part of Purchaser and/or any other Indemnified Party.

(b) Seller will maintain and provide evidence of General Liability, Property Damage, Product Liability, Aviation Products Liability (where, Products are intended for use on aircraft), Employer's Liability and Comprehensive Insurance as Purchaser from time to time determines to be adequate. Seller shall provide Purchaser with a certificate of insurance evidencing that the required minimum coverage are in effect and that Purchaser, its directors, officers, employees, agents and representatives are named as additional insureds, provide a waiver of subrogation clause in favor of the additional insureds, and provide that all coverage provided by the Seller shall be primary. Such insurance shall also cover the actions of a subcontractor that Seller may utilize under this Purchase Order. Such insurance shall require the underwriters to provide Purchaser thirty (30) days advance written notice of any cancellation or adverse material change with respect to any of the policies. If Seller fails to procure or maintain in force the insurance specified herein, Purchaser may secure such insurance and the cost thereof shall be borne by Seller. It is understood and agreed that the insurance provided by Seller hereunder shall operate independent and apart from any obligations imposed upon Seller under the indemnity provisions of this Purchase Order.

30. ENGLISH LANGUAGE: Except as the parties may otherwise agree, this purchase order, data, notices, shipping invoices, correspondence and other writings shall be written in the English language. In the event of any inconsistency between any terms of this purchase order and any translation thereof into another language, the English language meaning shall control.

31A. EDI (ELECTRONIC DATA INTERCHANGE) AND PAERLESS INVOICING:

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(a) Upon Purchaser's request, Seller shall sign an EDI Trading Partner Agreement with Purchaser within 15 days from the request date. Following such agreement, the parties shall establish an implementation schedule, which shall call for active EDI communication capability within 45 days from the EDI Trading Partner Agreement.

(b) Paperless invoicing is required. Options acceptable to Purchaser include GEGSN Web Invoicing, Evaluated Receipt Settlement ("ERS").

31B. RESERVED

31C. ELECTRONIC COMMERCE: Seller agrees to participate in all Purchaser current and future electronic commerce applications and initiatives upon Purchaser request. For contract formation administration, changes and all other purposes each electronic message sent between the parties within such applications or initiatives will be deemed: (a) "written and a writing"; (b) "signed" (in the manner below); and (c) an original business record when printed from electronic files or records established and maintained in the normal course of business. The parties expressly waive any right to object to the validity, effectiveness, or enforceability of any such electronic message on the ground that a "statute of frauds" or any other law requires written, signed agreements. Between the parties, any such electronic documents may be introduced as evidence in any proceedings as business records under the best evidence rule or the business records exception to the hearsay rule. By placing the name or other identifier on any such electronic message, the party doing so intends to sign the message with his/her signature attributed to the message content. The effect of each such message will be determined by the electronic message content and by the laws of the England and Wales, excluding any such law requiring signed agreements or otherwise in conflict with this paragraph.

32. BAR CODE SHIPPING LABEL: Upon Purchaser's request, all shipment containers for Goods to be delivered hereunder shall be labeled in accordance with Purchaser's bar code shipping label instructions. Seller shall submit example labels for approval within 60 days of said request. Seller shall designate an individual responsible for compliance with said instructions and shall act as Seller's contact for issues concerning bar code labels.

33. MATERIALS SCHEDULING: Upon Purchaser's request, Seller shall work with Purchaser to implement pull production, bin stocking unit pack and/or kitting for hardware supplied by Seller. Seller shall provide commitments to Purchaser's schedule via Purchaser's scheduling system within 72 hours of a change in Purchaser's production schedule. If Seller is unable to meet Purchaser's schedule, Seller shall immediately notify Purchaser in advance for proper reconciliation.

34. SELLER'S REPRESENTATIONS: Seller represents, warrants, certifies and covenants that it shall perform all activities required under this purchase order in compliance with all applicable international, national, state and local laws, including, but not limited to environmental, health and safety laws and regulations.

Goods supplied under this purchase order may be exported worldwide, including countries that prohibit the importation of goods manufactured with child labor or forced, indentured or convict labor. Seller represents, warrants, certifies and covenants that no Goods supplied under this purchase order have been or will be produced using forced, indentured or convict labor, or the labor of persons in violation of the minimum working age laws of the country of manufacture, or in violation of minimum wage, hour of service or overtime laws of the country of manufacture.

From time to time, at Purchaser's request, Seller shall provide certificates to Purchaser in form and substance acceptable to Purchaser relating to the requirements of this paragraph 34. Seller shall permit Purchaser or its representatives to have reasonable access to the site where work under this order is performed to assess 1) Seller's work quality and compliance with Purchaser's specifications and 2) Seller's compliance with its representations, warranties, certifications and covenants hereunder.

35. WAIVER: Purchaser's failure to insist on performance of any of the terms or conditions herein or to exercise any right or privilege or Purchaser's waiver of any breach hereunder shall not thereafter waive any other terms, conditions, or privileges, whether of the same or similar type.

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36. SEVERABILITY: If any provisions of this Remark C64ES or any part hereof is invalid, unlawful or incapable of being enforced by reason of any rule of law or public policy, all conditions and provisions of this Remark C64ES which can be given effect without such invalid, unlawful or unenforceable provision shall, nevertheless, remain in full force and effect.

37. GRATUITIES: Any officers, employees or agents of Purchaser, any government representing a sovereign and independent state, or Purchaser's customers, are prohibited from soliciting or accepting entertainment, gifts, gratuities, compensation or favors from Seller. Seller shall at all times comply with the requirements of this policy. When Seller has reasonable grounds to believe that a violation of this gratuity policy by Seller or Purchaser's representatives may have occurred, Seller shall promptly report the potential violation to Purchaser by using Purchaser's Integrity Helpline (1-800-443-3632) or by reporting it in writing. For violation of this Article 37 by Seller, this purchase order may be terminated in whole or in part. Purchaser may also require Seller to provide proof that it has implemented internal management controls sufficient to prevent future violations. These rights and remedies of Purchaser are not exclusive and are in addition to any other rights and remedies provided to Purchaser under this purchase order or by law.

38. ACCESS TO PURCHASER'S COMPUTER SYSTEMS: Access to Purchaser's computer systems by Seller's personnel shall include only those individual persons who have been specially granted and an authorized user ID by a Purchaser. Purchaser reserves the right to, at any time, verify the citizenship status of all Seller personnel who have access to Purchaser's computer systems. Such access shall be limited by Purchaser to those systems, which in Purchaser's sole discretion, are required for the Seller's personnel to perform assigned work and shall be valid until such access is revoked or surrendered. Such access shall be surrendered by Seller's personnel upon Purchaser's request or upon removal or reassignment by Seller.

39. RESERVED

40. FORMER GE EMPLOYEES. : If access is requested to Purchaser's facilities or computer systems, the Seller must confirm satisfactory performance of the individual for whom access is requested if the individual was previously employed by the Purchaser or its affiliates. The Seller shall use a form provided by Purchaser to obtain its employee's consent and waiver for Purchaser to release employment information to Seller regarding the individual's performance when employed by the Purchaser or its affiliates. All forms and more detailed instructions can be found at:
http://www.geae.com/aboutgeae/doingbusinesswith/supplier_security_requirements.html

41. REMOVALS AND REPLACEMENTS: Seller agrees that, notwithstanding the provisions of any warranties, expressed or otherwise, negotiated with respect to Goods purchased from Seller by Purchaser or Purchaser's customers, Seller shall reimburse Purchaser for labor and material cost including Overhead and General and Administrative (G&A) expense reasonably incurred by Purchaser in connection with:

- (a). The unscheduled removal and/or replacement of such Goods or components thereof from a higher level assemble due to failure of such Goods to conform to requirements of this purchase order or defective material , workmanship or design; or
- (b). Any such removal of said Goods at Seller's request; or
- (c). Any such removal of said Goods required due to any previously required changes to said Goods that Seller has failed to incorporate.

This remedy is not exclusive and shall not be in lieu of any other remedy available at law, in equity or under this purchase order.

42. PROHIBITED GOODS AND SERVICES: The United States of America prohibits the importation of Goods or services from certain countries. No Goods or services from prohibited countries may be used directly or indirectly in the design, manufacture, test, or other methods of providing any of the items (whether Goods, services, or otherwise) covered by this purchase order. The list of prohibited countries can change from time to time and it is Seller's responsibility to ensure compliance with such list at all times. Current information can be obtained by accessing the Internet at URL
<http://www.treas.gov/ofac/>

43. GOVERNING LAW. This purchase order shall be governed by the laws of the England and Wales, notwithstanding its conflict of laws rules.

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44. **SELLER SECURITY AND CRISIS MANAGEMENT POLICY:** Seller shall have and comply with a company security and crisis management policy. Upon Purchaser's request, Seller shall provide Purchaser a copy thereof. Seller shall revise and maintain the policy proactively, and as may be requested by Purchaser, in anticipation of security and crisis risks relevant to the Seller's business. Seller's policy, at a minimum, shall identify, and require the taking, by Seller's management and employees, of the measures necessary to do the following:

- (a) provide for the physical security of the people working on Seller's premises and others working for or on behalf of Seller;
- (b) provide for the physical security of Seller's facilities and physical assets related to the performance of work, including, in particular, the protection of Seller's mission critical equipment and assets;
- (c) protect from the loss of, misappropriation of, corruption of, and/or other damage to software related to the performance of work;
- (d) protect from the loss of, misappropriation of, corruption of, and/or other damage to Purchaser's and Seller's drawings, technical data, and other proprietary information related to the performance of work;
- (e) provide for the prompt recovery -- including through preparation, adoption, and maintenance of a disaster recovery plan -- of facilities, physical assets, software, drawings, technical data, other intellectual property, and the Seller's business operations in the event of a security breach, incident, crisis or other disruption of Seller's ability to use the necessary facilities, physical assets, software, drawings, technical data, or other intellectual property or to continue operations.

Purchaser reserves the right to inspect Seller's policy and to conduct on-site audits of Seller's facility and practices to determine whether Seller's policy and Seller's implementation of the policy are reasonably sufficient to protect Purchaser's interests. If Purchaser reasonably determines that Seller's policy and/or policy implementation is/are insufficient to protect Purchaser's property and interests, Purchaser may give Seller notice of such determination. Upon receiving such notice, Seller shall have forty-five (45) days thereafter to make the policy changes and take the implementation actions reasonably requested by Purchaser. Seller's failure to take such actions shall give Purchaser the right to terminate this purchase order immediately without further compensation to Seller.

45. **PERSONAL DATA PROTECTION:** (a) "Purchaser Personal Data" includes any information relating to an identifiable natural person that is obtained by Seller from Purchaser; "Processing" of Personal Data includes any operation performed upon Personal Data, such as collection, recording, organization, storage, or alteration, retrieval, consultation, use, disclosure by transmission, dissemination or otherwise making available, blocking, erasure or destruction. (b) Seller, including its staff, shall view and Process Purchaser Personal Data only on a need-to-know basis and only to the extent necessary to perform this Purchase Order. (c) Seller shall, to the extent allowable under its current technical and organizational measures, ensure the security and confidentiality of Purchaser Personal Data in order to prevent, among other things, accidental, unauthorized or unlawful destruction, modification, disclosure, or loss. Seller shall immediately inform Purchaser of any breach of this security and confidentiality undertaking. (d) Upon termination of this Purchase Order, for whatever reason, Seller shall take all reasonable efforts to stop the Processing of Purchaser Personal Data. (e) These undertakings remain in force even after termination of this Purchase Order for whatever reason. (f) Seller understands and agrees that Purchaser may use any "Contact Information" (such as name, address, telephone number, e-mail address) provided by Seller, or any of its representatives, for purposes reasonably related to the performance of this Purchase Order, including but not limited to supplier and payment administration, and that such information may be transferred to and stored in a Purchaser global database. Seller agrees that it will comply with all legal requirements prior to the transfer of any of its customer, employee, or third-party Personal Data to Purchaser. This Personal Data will not be shared beyond Purchaser, its Affiliates and their contractors. Purchaser will take appropriate measures to ensure that Contact Information is processed in conformity with applicable data protection laws.

APPENDIX I reserved

**APPENDIX II
INTERNATIONAL ORDERS**

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IF SELLER IS LOCATED OUTSIDE OF THE UNITED KINGDOM, THE PRECEEDING TERMS AND CONDITIONS ARE MODIFIED AS FOLLOWS:

1. Reserved

2. ANTI-DUMPING. If Seller is located within the U.S., Seller warrants that all sales made hereunder are or will be made at not less than fair value under the United States anti-dumping law (19 U.S.C. sec 1673 et. Seq.), and Seller will indemnify, defend and hold Purchaser harmless from and against any costs or expenses (including but not limited to any anti-dumping duties which may be imposed) arising out of or in connection with any breach of this warranty

3. IMPORTER AND EXPORTER OF RECORD.

A. The Seller shall be the exporter of record from the country of dispatch, The shipping term shall be DDU, pursuant to the international Chamber of Commerce Inco term (2000 Edition)' the Purchaser, shall be the importer of record in the country of destination, the transaction(s) represented by this purchase order will be consummated subsequent to importation. If the goods, for any reason, have to be returned to the seller "goods not in accordance with contract" the purchaser shall ship under Inciters 'FCA pursuant to the International Chamber of Commerce Inciters (2000 Edition)' in this instance, the purchaser shall act as exporter of record from the country of dispatch, and the seller, shall from this point, accept all risk to bring the goods to the sellers place of business, the seller will, in the country of destination be the importer of record.

B. The Seller shall ship the Goods to the port of entry as requested by Purchaser, all shipping documentation, shall carry the Purchaser's agents information. All additional transportation or Customs clearance charges, duty or VAT, which may be incurred by Purchaser, due to non-adherence to this clause, will be to the account of Seller.

C. The Seller's shall pack the shipment in accordance with the ATA packing specification, shipping containers and shipping documentation must be in compliance with the rules applicable in the country of destination, the seller must, accurately declare the true and correct valuation of the Goods shipped, the Seller must on all shipping invoices declare the origin of goods shipped. The Seller will be responsible for, all fines or liabilities which result from, improper packaging or negligent invoicing or markings of the shipment.

D The Seller shall be responsible for complying with all applicable export regulations, including, where applicable, the U.S. export administration regulations/international traffic-in-arms regulations., hazardous shipping, in accordance with the rules governing , IATA/ICAO shipment by air and other regulations governing as applicable when shipped by road or sea. The Seller shall be responsible for any fines or liabilities resulting from the Seller's non-compliance with the aforementioned regulations.

4. RESERVED.

5. WARRANTY. Regardless of which party is the importer of record, Seller will be responsible for complying with the applicable import restrictions, including as applicable, those contained in any and all environmental regulations., including providing any required certifications, and shall indemnify and hold Purchaser harmless for any fines or liabilities resulting from breaches of this section.

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APPENDIX III

Reserved

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APPENDIX IV

Reserved