11 July 2008

Dear Valued Supplier:

This letter relates to your compliance with the U.S. International Traffic in Arms Regulations (ITAR), and the U.S. Export Administration Regulations (EAR). All purchase orders issued by GE Aviation require compliance with all applicable laws and regulations, and in particular all purchase orders mandate compliance with ITAR and EAR.

The ITAR and EAR restrict the export of products and technical data from the U.S., and control the re-export of such products and technical data after the point of export. GE Aviation considers compliance with laws and regulations to be of the highest priority. Compliance with ITAR and EAR therefore is an essential premise of your relationship with GE Aviation. It is critical therefore that your company has in place a robust internal control program that ensures compliance with ITAR and EAR.

As an obligation of your relationship with GE Aviation, suppliers are expected to do the following:

- Know and maintain adequate records of “export classifications” (e.g., USML Category or ECCNs) for all products, technology and services provided to GE Aviation, and disclose such classifications to GE Aviation when requested;
- Secure in a timely manner (in accordance with required delivery schedules) valid export licenses for any products and technical data to be exported to any GE Aviation business;
- Regularly monitor and maintain compliance with all license restrictions and provisos;
- Prevent any unauthorized “deemed exports” of ITAR and EAR controlled products and technical data to unauthorized persons.

The preceding are only some of the practices that GE Aviation expects of its suppliers in order to maintain 100% compliance with ITAR and EAR. In addition, GE Aviation expects that such compliance will be maintained in a timely manner so as to not disrupt your contractual relationship with GE Aviation. As such, if your company has any issues or concerns related to its compliance with ITAR and EAR, specifically as it relates to your contractual relationship with GE Aviation Systems, we ask that you immediately contact your usual point of contact within GE Aviation Systems’ Supply Chain Management organization and disclose the nature of your concern.
GE Aviation cannot render legal advice to its suppliers with regards to compliance, but is willing and able to work with suppliers in order to ensure that ITAR and EAR compliance does not disrupt the supplier’s contractual relationship with GE Aviation.

For more information on ITAR and EAR regulations, please visit the following web sites:

- International Traffic in Arms Regulations (ITAR)  www.pmddtc.state.gov/
- Export Administration Regulations (EAR)  www.bis.doc.gov/index.htm
- U.S. Customs and Border Protection  www.customs.ustreas.gov

Thank you for your cooperation in this important matter.

GE Aviation
Supply Chain Management
Aviation Systems