

**GE AVIATION MATERIALS INC**  
**General Terms and Conditions of Purchase**

1. **ACCEPTANCE.** Acceptance of this purchase order will be according to the terms and conditions shown on the face hereof and ES18 – Procurement of Hardware external to GE, unless other conditions are agreed upon in writing between Seller and Purchaser. All current and prior versions can be reviewed on the GE Aircraft Engines Doing Business With GEAE website ([www.geae.com/aboutgeae/doingbusinesswith/index.html](http://www.geae.com/aboutgeae/doingbusinesswith/index.html)). This purchase order supersedes any previous terms and conditions contained in any quotation or acknowledgement. In the event of any conflict in terms between this purchase order and any specific contract for the goods/materials/appliances (as the case may be “component” or “components”) the terms and conditions of the contract shall prevail.
2. **INSPECTION.** Acceptance of each component covered by this purchase order shall be subject to inspection and acceptance by the Purchaser. The Purchaser may reject any component if not satisfied. The Purchaser at Seller's risks will hold components so rejected. Any and all expenses incurred by the Purchaser, including transportation charges, in respect of rejected material will be for the Seller's account. Payment for any component shall not be deemed acceptance thereof or waiver of any right to test or inspect such component.
3. **TAXES.** Each party hereto shall be responsible for its own taxes levied or imposed as a result of this purchase and the delivery and purchase of any component herein. The parties agree to fully cooperate in providing one another with any and all documents that may be used to obtain an exemption on taxes and duties levied on the purchase of any component herein.
4. **APPLICABLE LAW.** The definitions of terms used, interpretation of this order, and rights and liabilities of parties hereto shall be construed under and governed by the laws of the State of Texas, U.S.A. Seller agrees to pay all costs and expenses, including reasonable attorney's fee, incurred by Purchaser in any action to enforce its rights hereunder. The United Nations Convention on Contracts for the International Sale of Goods, 1980, any amendment or successor there is expressly excluded from this order. Seller hereby waives a) the right to a jury trial in any and all proceedings, b) any and all objections to venue and inconvenient forum in the state and federal courts referred to in this section, and c) any and all objections to service of process by certified mail, return receipt requested.
5. **SEVERABILITY.** Any provision of this Order, which is prohibited or unenforceable in any jurisdiction, shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such provision in any other jurisdiction. To the extent permitted by applicable law, each party hereby waives any provision of law, which renders any provision hereof prohibited or unenforceable in any respect.
6. **NON-PERFORMANCE.** Time is deemed to be of the essence and the Purchaser reserves the right to cancel all or any part of this purchase order, without prejudice to any other rights it may have, in the event of failure by the Seller to deliver and/or perform at such time or times as are specified herein. The Purchaser may, however, waive the time requirement provided that such waiver is in writing and, thereafter, upon notice by the Purchaser, time may again be deemed to be of the essence. The Seller agrees that in the event of failure to deliver as specified, the Purchaser may return part or all of any shipment and any and all cost incurred by the Purchaser shall be for the Seller's account. If any component is not delivered within the time specified herein, Purchaser may cause Seller to ship the goods by the most expeditions means of transportation, with any additional transportation charges for Seller's account.
7. **PAYMENT.** It is specifically understood and agreed that the title to all components listed or included in this order shall remain Seller's until full payment required herein has been received, and funds have cleared the bank. All payments shall be made in the currency of the United States. Payment for any component acquired hereunder, shall be as agreed to in writing between Seller and Purchaser provided however that the purchaser's quality, quantity and price requirements are met. Said written agreement as to payment is deemed to form an integral part hereof. Failure to comply with any of the general terms and conditions of purchase and/or governing conditions and special conditions of purchase specified herein shall result in delay of payment of the invoice.
8. **PRICES.** Prices must conform to those agreed to in this purchase order and no changes will be accepted unless the purchaser has given its prior written consent.
9. **LANGUAGE.** The parties have agreed that this purchase order and that all documents relating to this purchase are drawn up in the English language.
10. **TERMINATION.** Purchaser may terminate the order at any time by written notice to Seller if Seller becomes insolvent or performs or permits any act of bankruptcy, liquidation, reorganization or if a receiver, trustee, or custodian is appointed for Seller or a substantial part of Buyer's property.
11. **FORCE MAJEURE.** Should either the Purchaser or the Seller be delayed in performing its obligation hereunder by reason of force majeure, floods, strikes, lock outs, or any other causes beyond its control, then such party shall be entitled to an extension of time equivalent to the delay, for the performance of its obligations provided that prompt notice in writing of the occurrence causing or likely to cause such delay is given to the other party and provided that such delay does not cause undue hardship to the other party, then the other party may cancel this purchase order without recourse.
12. **WARRANTY.** Seller covenants and agrees that at the time of delivery thereof: a) Seller shall have good and sufficient legal title to the components sold hereunder, b) Seller shall have full power and lawful authority to transfer title to Buyer, and c) The components shall be subject to no mortgage, pledge, lien, charge or other encumbrance.
13. **EXCHANGES.** Seller agrees that if components are replaced hereunder on an exchange basis and the exchange components require replacement parts not normally required during the overhaul, then in such event the Seller shall be invoiced for such replacement parts for which the Seller agrees to pay.
14. **INDEMNIFICATION.** The Seller shall indemnify and save and hold harmless the Purchaser from and against any and all costs, damages, suits and demands of any nature arising out of the performance by the Seller of its obligation hereunder and including claims made or damages sustain in the respect of the property and personal injury (including death), except to the extent that such injury or damage is attributable to the Purchaser, its customers, agents or employees. Where as a result of this purchase order, the Seller must furnish evidence of insurance covering the above indemnification requirements. If the said insurance is unsatisfactory to the Purchaser, the Purchaser may cancel this order. Further, the Seller agrees to indemnify and save the Purchaser harmless from and against any and all claims for infringement of any patent, trademark, copyright, industrial design or whatsoever interest or charge covering any articles purchased hereunder.
15. **BROKER/FINDERS FEES.** Seller and Purchaser each indemnify the other party from liability for fees, commissions or other claims made upon the other by third party brokers or finders when the indemnifying party caused such claims.
16. **DISCLAIMERS OF WARRANTIES.** The limitations of liability and disclaimer of warranties provided herein are expressly applicable to any and all components sold by Seller containing any international calendaring device, which could malfunction as a result of the Year 2000 (“Y2K”) date change. Seller warrants that the components sold by it are Y2K compliant. SELLER SHALL BE LIABLE FOR ANY DAMAGES WHATSOEVER, INCLUDING DIRECT, INDIRECT, INCIDENTAL, CONSEQUENTIAL, LOSS OF BUSINESS PROFITS, OR SPECIAL DAMAGES, RESULTING FROM NON-Y2K COMPLIANT COMPONENTS SOLD BY SELLER.
17. **PACKAGING AND SHIPPING INSTRUCTIONS.** All components shall be packaged to the highest commercial standard and properly marked (including notice of hazardous substances) or otherwise prepared for shipment so as to secure the lowest transportation rates and to meet carrier's requirements. No charge will be allowed for packing, crating or carriage unless stated herein. Unless otherwise directed by Purchaser, all surface shipments shall be declared at the lowest release valuation allowed by their carrier. Packing Slips must be issued to cover this order and enclosed with the shipment.
18. **RISK OF LOSS.** Risk of loss of any component purchased hereunder shall be borne by Seller until the goods are delivered to Purchaser, provided, however, if the components purchased are explosive, inflammable, toxic or otherwise hazardous, Seller shall hold Purchaser harmless against all claims asserted against Purchaser for any personal or property damage caused by such components or by the transportation thereof before unloading at Purchaser's designated facility.
19. **ASSIGNMENT.** Seller may not assign, in whole or part, this order without prior written consent of Purchaser.
20. **WAIVER.** Failure by Purchaser to assert all or any rights upon breach of this order shall not be deemed a waiver of such rights either with respect to such breach or any subsequent breach, nor shall any waiver be implied from Purchaser's payment. No written waiver of any right shall extend to or affect any other right Purchaser may possess, nor shall such written waiver extend to any subsequent similar or dissimilar breach.
21. **AMENDMENT, VARIATION and ASSIGNMENT.** No variation, modification or change or amendment of this purchase order, no waiver of any term or provision hereof shall be deemed valid or binding on the Purchaser unless reduced to writing and signed by the parties hereto.
22. **VISITATION.** GE Aviation Materials Inc reserves the right to visit each suppliers facilities as needed to satisfy FAR and/or ISO9002 requirements.
23. **ENTIRE AGREEMENT.** These General Terms and Conditions of Purchase, together with any additional term which may separately be made applicable by Purchaser to particular components, govern the purchase of components by Purchaser, notwithstanding any different, conflicting, or additional terms or conditions which appear on any sales order or other business form submitted by Seller, such different conflicting or additional terms will not become a part of the contract of purchase between Seller and Buyer.