



STANDARD TERMS AND CONDITIONS OF PURCHASE

1. ACCEPTANCE OF TERMS AND CONDITIONS. Seller agrees to be bound by and to comply with all terms set forth herein and in the purchase order, to which these terms are attached and are expressly incorporated by reference (collectively, the "Order"), including any amendments, supplements, requirements, specifications and other documents referred to in this Order and in the Supplier Collaboration Portal (https://supplier.gettransportation.com/trans_xpc/endeavour/index.jsp). Acknowledgement of this Order, including without limitation, by beginning performance of the work called for by this Order, shall be deemed acceptance of this Order. The terms set forth in this Order take precedence over any alternative terms in any other document connected with this transaction unless such alternative terms are: (A) part of a written supply agreement ("Supply Agreement"), which has been negotiated between the parties and which the parties have expressly agreed may override these terms in the event of a conflict and/or (B) issued by Purchaser as set forth on the face of the Order to which these terms are attached and in the absence of a Supply Agreement. In the event these terms are part of a written Supply Agreement between the parties, the term "Order" used herein shall mean any purchase order issued under the Supply Agreement. In the event of a conflict between the terms set forth herein and in the purchase order to which these terms are attached, the terms in the purchase order shall control. This Order does not constitute an acceptance by Purchaser of any offer to sell, any quotation, or any proposal. Reference in this Order to any such offer to sell, quotation or proposal shall in no way constitute a modification of any of the terms of this Order. **ANY ATTEMPTED ACKNOWLEDGMENT OF THIS ORDER CONTAINING TERMS INCONSISTENT WITH OR IN ADDITION TO THE TERMS OF THIS ORDER IS NOT BINDING UNLESS SPECIFICALLY ACCEPTED BY PURCHASER IN WRITING.**

2. PRICES, PAYMENTS AND TAXES. All prices are firm and shall not be subject to change. No extra charges of any kind will be allowed unless specifically agreed in writing by Purchaser. Seller warrants the pricing for any goods or services shall not exceed the pricing for the same or comparable goods or services offered by Seller to third parties. Seller shall promptly inform Purchaser of any lower pricing levels for same or comparable goods or services and the parties shall promptly make the appropriate price adjustment. Purchaser's standard payment terms in effect shall be as follows unless prohibited by law or alternatively stated in the purchase order: For the purposes of this section "day" means business day and is defined as any day in a work week excluding Saturday, Sunday and legal holidays.

2.1 STANDARD:

(A) Payment Terms. Unless Seller is enrolled in the Accelerated Payment Program described in Section 2.2 below and payment is initiated within the applicable discount period, Purchaser will initiate payment of the full invoiced amount (not discounted) to Seller on or before the 135th day (120th day if Seller is enrolled in the Accelerated Payment Program) from the "Payment Start Date" described in Section 2.3 below (each deemed the "Net Due Date" depending on enrollment). Settlement and invoicing must be paperless and in a format acceptable to Purchaser. Options acceptable to Purchaser include Web Invoicing, Evaluated Receipt Settlement and Electronic Data Interchange. Seller must provide banking information to establish electronic funds transfers for U.S. suppliers and wire transfers for non-U.S. suppliers.

(B) Batched Payments. Purchaser may choose to group all invoices that have not been discounted and that have Net Dates ranging from the sixteenth day of one month to the fifteenth day of the next month, and initiate payment for all such invoices on the third day of the second month or if that day is not a business day, then on the next business day (each such payment date being referred to as the "**Monthly Batch Payment Date**"), with the result that some invoices shall be paid earlier than their Net Dates and some invoices shall be paid later than their Net Dates. Alternatively, Purchaser may choose to group and pay on a quarterly basis all invoices that have not been discounted as follows: (i) invoices with Net Dates ranging from the sixteenth day of February to the fifteenth day of May shall be grouped and Purchaser shall initiate payment on the third day of April or if that day is not a business day, then on the next business day; (ii) invoices with Net Dates ranging from the sixteenth day of May to the fifteenth day of August shall be grouped and Purchaser shall initiate payment on the third day of July or if that day is not a business day, then on the next business day; (iii) invoices with Net Dates ranging from the sixteenth day of August to the fifteenth day of November shall be grouped and Purchaser shall initiate payment on the third day of October or if that day is not a business day, then on the next business day; and (iv) invoices with Net Dates ranging from the sixteenth day of November to the fifteenth day of February shall be grouped and Purchaser shall initiate payment on the third day of January or if that day is not a business day, then on the next business day (each such payment date being referred to as the "**Quarterly Batch Payment Date**"), with the result that some invoices shall be paid earlier than their Net Dates and some invoices shall be paid later than their Net Dates.

2.2 ACCELERATED PAYMENT PROGRAM: If Seller is enrolled in the Accelerated Payment Program, Purchaser will be entitled, either directly or through an affiliate, to take an early payment discount of 0.0363% of the gross invoice price (the "Daily Discount Rate") for each day before the 120 Net Due Date that payment is initiated. Each discount will be rounded to the nearest one hundredth of a percent. For example, a discount of 3.7% corresponds to payment initiated 102 days before the 120 Net Due Date and a discount of 0.36% corresponds to payment initiated 18 days before the 120 Net Due Date. If the Net Due Date falls on a weekend or a holiday, the Net Due Date will be moved to the next business day (the "Reset Net Due Date"). If Purchaser initiates payment before such Reset Net Due Date and takes an early payment discount as set forth above, Purchaser will be entitled to take the early payment discount based upon each day payment is initiated before the Reset Net Due Date. If Purchaser and Seller agree that Purchaser may take a fixed-percentage early payment discount (the "Fixed Discount") whereby Purchaser will take the Fixed Discount for initiating payment on or before a date certain prior to the Net Due Date or the Reset Net Due Date, as applicable (the "Fixed Discount Date"), and the Fixed Discount Date falls on a weekend or a holiday, Purchaser will be entitled to initiate payment to Seller on the next business day following the Fixed Discount Date and take the Fixed Discount as if it initiated payment on the Fixed Discount Date. The Daily Discount Rate is based in part on a 3 Month Libor Rate (defined below) in effect on the last business day of the month preceding the date on which payment is initiated with respect to the first purchase order to which these terms attach (the



“Base Libor Rate”). If the 3 Month Libor Rate in effect on the last business day of any month (the “Current Libor Rate”) exceeds the Base Libor Rate, the Daily Discount Rate to be used to calculate the early payment discounts for future invoices may be adjusted upward or downward on the last business day of such month by 0.00003% for each basis point fluctuation between the Current Libor Rate and the Base Libor Rate on such date; provided, however, that if the Current Libor Rate ever falls below the Base Libor Rate, the Daily Discount Rate will never fall below 0.0363%. If the Daily Discount Rate is adjusted on the last business day of the month as set forth above, then such adjusted Daily Discount Rate will be applicable to all invoices posted for payment during the following month. For purposes of this Section, the 3 Month Libor Rate will be the 3 month Libor rate published in the “Money Rates” section of *The Wall Street Journal* as the “London interbank offered rate, or Libor three month” (or, in the event that such rate is not so published, as published in another nationally recognized publication) on the last business day of each month. Funding for accelerated payment of invoices under Purchaser’s accelerated payment program will be provided by GE Capital US Holdings, Inc., or an affiliate or successor entity (GEC). If Purchaser chooses to settle an invoice pursuant to the accelerated payment program, the following shall occur: (A) title to the goods that are being delivered shall pass directly to GEC on the date of arrival of the item at the specified delivery place; (B) once title to the goods has passed to GEC, GEC will immediately and directly transfer title to Purchaser; and (C) any and all of the Seller’s obligations under this Order, including Seller’s representations and warranties, shall extend to and benefit Purchaser as if title passed directly to Purchaser.

2.3 PAYMENT START DATE:

(A) The “Payment Start Date” is the latest of the required date identified on this Order, the received date of the goods and/or services in Purchaser’s receiving system or the date of Purchaser’s receipt of valid invoice from Seller. The received date of the goods and/or services in Purchaser’s receiving system will occur: (A) in the case where the goods are shipped directly to Purchaser and/or services are performed directly for Purchaser, within forty-eight (48) hours of Purchaser’s physical receipt of the goods or services; (B) in the case of goods shipped directly to: (1) Purchaser’s customer or a location designated by Purchaser’s customer (“Material Shipped Direct” or “MSD”); or (2) a non-Purchaser/non-customer location to be incorporated into MSD, within forty-eight (48) hours of Seller presenting Purchaser with a valid bill of lading confirming that the goods have been shipped from Seller’s facility; (C) in the case where goods are shipped directly to a third party in accordance with this Order, within forty-eight (48) hours of Purchaser’s receipt of written certification from the third party of its receipt of the goods; or (D) in the case of services performed directly for a third party in accordance with this Order, within forty-eight (48) hours of Purchaser’s receipt of written certification from Seller of completion of the services.

(B) Seller agrees to submit correct and complete invoices for goods or services within 180 days of the received date of the goods or services. Any claim involving perceived nonpayment, underpayment or any other payment related issues shall be deemed waived unless asserted in writing within sixty (60) days after (1) receipt by Seller of Purchaser’s payment or (2) the Net Due Date, whichever first occurs.

2.4 **TAXES:** Seller’s price includes all payroll and/or occupational taxes, any value added tax that is not recoverable by Purchaser and any other taxes, fees and/or duties applicable to the goods and/or services purchased under this Order; provided, however, that any value added tax that is recoverable by Purchaser, state and local sales, use, excise and/or privilege taxes, if applicable, will not be included in Seller’s price but will be separately identified on Seller’s invoice. If Seller is obligated by law to charge any value added and/or similar tax to Purchaser, Seller shall ensure that if such value added and/or similar tax is applicable, that it is invoiced to Purchaser in accordance with applicable rules so as to allow Purchaser to reclaim such value added and/or similar tax from the appropriate government authority. Neither party is responsible for taxes on the other party’s income or the income of the other party’s personnel or subcontractors. If Purchaser is required by government regulation to withhold taxes for which Seller is responsible, Purchaser will deduct such withholding tax from payment to Seller and provide to Seller a valid tax receipt in Seller’s name. If Seller is exempt from such withholding taxes or eligible for a reduced rate of withholding tax as a result of a tax treaty or other regime, Seller shall provide to Purchaser a valid tax residency certificate or other documentation, as required by the applicable government regulations, at a minimum of thirty (30) days prior to payment being due. The following state sales and use tax identification numbers are applicable for goods delivered into the States of Ohio and North Carolina, Massachusetts, and Pennsylvania: (A) Ohio - DPP# 98-000-604; (B) North Carolina - DPP# 457; (C) Massachusetts - DPP# 00008; (D) Pennsylvania - DPP# 51-995692.

2.5 **SET-OFF:** Purchaser shall be entitled to set-off any amount owing from Seller to Purchaser or to any of Purchaser’s affiliated companies against any amount payable under this Order.

3. DISPUTE RESOLUTION.

3.1 Any dispute, controversy or claim arising out of or relating in any way to this Order, whether in contract, tort, common law, statutory law, equity, or otherwise, including any question regarding its existence, validity, or scope, shall be resolved in accordance with this Section 3. Purchaser and Seller shall attempt amicably to resolve any controversy, dispute or difference arising out of this Order, by commercial negotiations. If a dispute is not resolved by commercial negotiations, either party shall, upon written notice (“Notice”), refer the dispute to either:

(A) a meeting of appropriate senior management representatives from each of the parties who will confer in good faith to attempt to resolve the matter; or

(B), to mediation, to be held within thirty (30) business days after the giving of Notice, or such later date as may be mutually agreed. If the dispute is not resolved within the thirty (30) days of the Notice, or within the mutually agreed-upon later time period, either party may commence arbitration in accordance with Section 3.2, below.

3.2 In the event such dispute cannot be resolved pursuant to Section 3.1, such dispute, claim or controversy arising out of or relating to the Order or the breach, termination, enforcement, interpretation or validity thereof, including the determination of the scope or applicability of this arbitration provision, shall be determined by arbitration administered by JAMS pursuant to its



Comprehensive Arbitration Rules and Procedures and in accordance with the Expedited Procedures in those Rules. The number of arbitrators shall be three. The place of arbitration shall be New York, New York, and it shall be held as promptly as possible at such time as the arbitrators may determine. If there is any inconsistency between the JAMS rules and this arbitration provision, the terms of this arbitration provision will control. Neither party shall have the right to request discovery beyond that which is permitted by the Expedited Procedures unless the parties agree or the arbitrators order otherwise on the basis of compelling need or a showing of severe prejudice by a party. The decision of the arbitrators will be final and binding upon the parties, and the fees and expenses owed to JAMS and the arbitrators will be shared equally between the parties. Judgment upon the arbitration award may be entered in any court of competent jurisdiction, or application may be made to such court for a judicial acceptance of the award and an order of enforcement, as the case may be. Anything to the contrary in this Agreement notwithstanding, neither party shall be prevented from applying to a court of competent jurisdiction for such preliminary or interim injunctive relief, or relief in aid of arbitration, as may be necessary to preserve or restore the status quo. The parties agree that any arbitration proceeding occurring pursuant to this arbitration provision will be treated as the confidential information of both parties and that the existence of the proceeding and any element of it (including, but not limited to, any pleadings, briefs or other documents submitted or exchanged and any testimony or other oral submissions and awards) will not be disclosed beyond the arbitration panel, except to the extent required under applicable law, in which event the party making such disclosure shall so notify the other party as promptly as is practicable (if possible, prior to making such disclosure) and shall seek confidential treatment of such information.

3.3 This Dispute Resolution provision shall not apply to and will not bar litigation regarding claims related to a party's proprietary or intellectual property rights.

4. ASSIGNMENT, SUBCONTRACTING AND CHANGE IN OWNERSHIP.

4.1 **ASSIGNMENT AND SUBCONTRACTING.** Seller may not assign (including by change of ownership or control, by operation of law or otherwise) this Order or any interest herein including payment, without Purchaser's prior written consent. Seller shall not subcontract or delegate performance of all or any substantial part of the work called for under this Order without Purchaser's prior written consent. Should Purchaser grant consent to Seller's assignment or subcontract, Seller shall cause such assignee or subcontractor to be bound by the terms and conditions of this Order. Further, Seller shall advise Purchaser of any subcontractor or supplier to Seller: (A) that will have at its facility any parts or components with Purchaser's or any of its affiliates' name, logo or trademark (or that will be responsible to affix the same); and/or (B) 50% percent or more of whose output from a specific location is purchased directly or indirectly by Purchaser. In addition, Seller will obtain for Purchaser, unless advised to the contrary in writing, written acknowledgement by such assignee, subcontractor and/or supplier to Seller of its commitment to act in a manner consistent with Purchaser's integrity policies, and to submit to, from time to time, on-site inspections or audits by Purchaser or Purchaser's third party designee as requested by Purchaser. If Seller subcontracts any part of the work under this Order outside of the final destination country where the goods purchased hereunder will be shipped, Seller shall be responsible for complying with all customs requirements related to such sub-contracts, unless otherwise set forth in this Order. Purchaser may freely assign this Order or any interest therein to any of its affiliates or subsidiaries without the consent of or notice to Seller.

4.2 **CHANGE IN OWNERSHIP.** 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, including the identity of the offeror, to Purchaser as early as commercially practical following Seller's receipt of the offer. Before Seller accepts the offer, it shall give Purchaser an opportunity, within a reasonable time, to advise Seller of its impact on performance of this Order. If the Change in Ownership and Control occurs, Purchaser has the right at its discretion to terminate this Order. In the event of such termination, Seller agrees to render full cooperation to Purchaser in order to minimize disruption to the Purchaser's program. Pending termination or 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 Property, including all intellectual property and proprietary information. *(For purposes of this section, the term "Change in Ownership or Control" shall mean any of the following: (A) the sale of equity shares controlling 20% or more of the voting rights in Seller or Seller's parent, (B) the sale, lease, transfer or other disposition of substantially all of the assets of Seller or Seller's parent, (C) a merger, reorganization, consolidation, share exchange, recapitalization, business combination, liquidation or dissolution or similar transaction, (D) a tender offer or exchange offer for any of the outstanding shares of capital stock of Seller or Seller's parent, (E) a sale by Seller of the assets relating to the goods Seller produces or will produce for Purchaser, or (F) any public disclosure of a proposal or plan or intention to do any of the foregoing.)*

5. TRANSPORTATION AND PACKAGING.

5.1 Unless otherwise stipulated on the face of the purchase order,

(A) goods covered by this Order shall be shipped and delivered F.C.A. Seller's door (Incoterms, 2010 Edition).

(B) In any event, title to goods shall pass to Purchaser upon (1) arrival of such goods at the specified delivery location, and (2) Purchaser's inspection and receipt into its receiving system. Purchaser insures all goods for which it accepts risk of loss while such goods are in transit. Therefore, Seller shall not declare any insurance value on such goods shipped via Purchaser's designated carrier.

5.2 Seller shall release rail or truck shipments at the lowest released valuation permitted in the governing tariff or classification. Purchaser will pay no charges for unauthorized transportation. Any unauthorized shipment, which results in excess transportation charges, must be fully prepaid by the Seller. If Seller does not comply with the stated delivery schedule, Purchaser may require delivery by the fastest means available. The charges resulting from this mode of transportation must be fully prepaid and the Seller must absorb the full cost of the shipment.

5.3 Upon Purchaser's request, all shipment containers for goods shall be labeled in accordance with Purchaser's Bar Code Shipping Label Instructions. Seller shall submit example labels for approval within sixty (60) days of said request. Seller shall



designate an individual responsible for compliance with said instructions and shall act as the Seller's contact for issues concerning bar code labels.

5.4 Packing, preservation and marking will be in accordance with the specification, drawing or as specified on the Order, or if not specified, the best commercially accepted practice will be used, and at a minimum consistent with applicable law. In addition, Seller shall include the following information on each shipment under this Order: Purchaser's Order number, case number, routing center number (if provided by Purchaser's routing center), country of manufacture, destination shipping address, commodity description, gross/net weight in kilograms and pounds, dimensions in centimeters and inches, center of gravity for items greater than one (1) ton and precautionary marks (e.g., fragile, glass, air ride only, do not stack, etc.), loading hook/lifting points and chain/securing locations where applicable to avoid damage and improper handling. Seller shall place all markings in a conspicuous location as legibly, indelibly and permanently as the nature of the article or container will permit. All goods shall be packed in an appropriate manner, consistent with Purchaser's packaging specifications outlined and set forth in document number 84A220081 which may be accessed in the Supplier Collaboration Portal (https://supplier.gettransportation.com/trans_xpc/endeavour/index.jsp). Goods that cannot be packed due to size or weight shall be loaded into suitable containers, pallets or crossbars thick enough to allow safe lifting and unloading. Vehicles that reach their destination and present unloading difficulties due to Seller's failure to comply the requirements of this section may be sent back to their point of departure at Seller's expense.

5.5 Failure of Seller to comply with any such Purchaser specification shall cause all resulting transportation charges to be for the account of Seller and give rise to any other remedies available at law or equity.

6. DELIVERY AND DELAY.

6.1 Time is of the essence for this Order. Unless otherwise agreed to in writing, any material commitments or production arrangements that Seller makes which are in excess of the amount or in advance of the time necessary to meet schedules that are within lead time shall be at Seller's risk and cost. Seller bears sole responsibility for managing Seller's raw material, work in process, and inventory, and Purchaser shall have no liability with respect thereto (whether upon termination of this Order or subcontract) other than in connection with termination as provided in Section 19, below. Goods shipped to Purchaser in advance of scheduled lead times may be returned to Seller at Seller's expense.

6.2 If Seller fails to deliver the goods or complete the services as scheduled, Purchaser may assess such amounts as may be set on the face of an Order as liquidated damages for the agreed delay period. The parties agree that such amounts, if assessed, are an exclusive remedy for the agreed delay period; are a reasonable pre-estimate of the damages Purchaser will suffer as a result of delay based on circumstances existing at the time the Order was established; and are to be assessed as liquidated damages and not as a penalty. In the absence of agreed to liquidated damages, Purchaser shall be entitled to recover damages that it incurs as a result of Seller's failure to perform as scheduled. Unless expressly stated to the contrary, Purchaser's remedies are cumulative and Purchaser shall be entitled to pursue any and all remedies available at law or equity. Further to the foregoing, Seller shall not make material commitments or production arrangements in excess of the amount or in advance of the time necessary to meet Purchaser's delivery schedule. Should Seller enter into such commitments or engage in such production, any resulting exposure shall be for Seller's account.

7. PURCHASER'S PROPERTY.

7.1 All Purchaser property, including but not limited to tools, tool drawings, equipment, materials, drawings, specifications (including Purchaser's 'S' specifications), as well as materials that include or disclose processes, know-how, procedures, process parameters, trade secrets, and any other documents, information or data of every description and storage media containing software or firmware, that is 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 (hereinafter, collectively referred to as "Purchaser's Property"), shall be and remain the exclusive personal property of Purchaser, and, unless otherwise agreed to in writing by Purchaser shall be used by Seller solely to render services or provide goods to Purchaser. Purchaser's Property shall be accepted and used by Seller in "AS IS" and "WHERE IS" condition. 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 further agrees to comply with any handling and storage requirements provided by Purchaser for such 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 at Seller's expense 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. The foregoing shall not be deemed to affect the rights, if any, of the Government in any such property or to grant any rights to Purchaser in conflict with the FTA provisions set forth in Section 18.6, below.

7.2 Unless otherwise instructed by Purchaser in writing, upon completion of performance of all of purchase order requirements including but not limited to the record retention requirements set forth in Article 21.10, the Seller shall return all Purchaser's Property to Purchaser at Seller's expense. The Purchaser may require the Seller to provide a certification of the destruction of all intangible Purchaser's Property.

7.3 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 7 and with Article 8.

7.4 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 goods that are substantially similar to or can replace or repair Purchaser goods or parts, or obtains governmental approval for such good or repair, the Seller, in any adjudication involving or relating to Purchaser's Property,



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 Property in such design or manufacture or in obtaining governmental approval with respect to such goods or repair.

8. INTELLECTUAL PROPERTY.

8.1 INTELLECTUAL PROPERTY TREATMENT.

(A) Nothing in this Order shall entitle Purchaser to ownership rights in data, information, discoveries or inventions made by Seller prior to, or outside the scope of this Order. Regarding the rights to any innovations, inventions, drawings, tools, software or specifications conceived and/or reduced to practice in the course of or performance of this Order or any related purchase order, Seller assigns and agrees to assign to Purchaser all intellectual property rights thereto, including any trade secrets, copyrights and patents issuing thereon (the "Purchaser Rights").

(B) Seller will provide reasonable assistance to Purchaser, at Purchaser's expense, for securing all such Purchaser Rights, and will cooperate with Purchaser, its officers and agents, in obtaining, at the expense of Purchaser with respect to the prosecution thereof, patents on such inventions or discoveries in the name of and for the benefit of Purchaser in any country that Purchaser may consider desirable. Seller will procure from its employees, without charge to Purchaser, the execution of all patent applications, assignments and other instruments necessary to the procurement of such patents and to the vesting of title thereto in Purchaser. Any compensation due Seller's employees shall be paid solely by Seller.

(C) Purchaser shall become the sole owner of all notes, reports, memoranda, and any other information (regardless of the media of expression) made or prepared in connection with any purchase order placed by Purchaser. Seller will not use any material developed by Seller under any purchase order placed by Purchaser without first obtaining the written consent of Purchaser. All such materials, irrespective of the media of expression, shall be deemed works-for-hire and shall belong exclusively to Purchaser. If by operation of law any of the material is not work-for-hire, then Seller agrees to assign, and hereby assigns, to Purchaser the ownership of such material including all copyrights thereto. Purchaser may obtain and hold in its own name copyrights, registrations, and other protection that may be available in such material, and Seller shall provide any assistance required to perfect such protection.

(D) Purchaser hereby grants Seller a limited, revocable, non-exclusive, non-transferable, non-assignable, non-sublicensable (except as may be provided explicitly in this paragraph) limited personal license to use Purchaser Rights and/or Purchaser's Property solely for performing this Order for Purchaser. Purchaser's Property and Purchaser Rights shall not be used for any other purpose, or disclosed to others or reproduced for any purpose, including, but not limited to, the design, manufacture or repair of parts or to obtain FTA or other government approval to do so; provided; however, Seller may provide Purchaser's Property, and sublicense Purchaser Rights, to Seller's subcontractors for the sole purpose of enabling Seller's subcontractors to assist Seller in performing this Order for Purchaser and on condition that Seller's subcontractors agree in writing for Purchaser's benefit to the terms of this agreement relating to Purchaser Rights and to Purchaser's Property including Articles 7, 8, 10 and 21.4 hereof. This license is terminable with or without cause by Purchaser at any time.

(E) All Purchaser's Property and Purchaser Rights are or shall be deemed to be confidential and proprietary property to Purchaser, whether or not it is marked with any restrictive legend. In the event Seller is notified by Purchaser that goods ordered under this Order have registered intellectual property rights, Seller agrees to mark such Goods with any patent numbers or other markings designated by Purchaser, including updates to such numbers or markings.

(F) If this Order relates to rights in any computer program or compilation of data that is fixed in any tangible medium of expression, or any storage medium from which the program may be perceived, reproduced or otherwise communicated, either directly or with the aid of a machine or device which are necessary for operation of the goods and/or embedded in and delivered as an integral part of the goods, and/or related documentation (collectively, "Software"), that is not Purchaser Property or Purchaser's Rights (both as defined herein), Seller grants to Purchaser, its customers, third party contractors and all other users a non-exclusive, worldwide, perpetual, irrevocable, transferable, royalty free right to use, load, install, execute, demonstrate, market, test, resell, sublicense and distribute the Software (the "GE-Required License"). If such Software or any part thereof is owned by a third party, prior to delivery, Seller shall obtain the GE-Required License from such third party owner. If Seller provides Software under this Order which requires Purchaser or the user to "Accept" various terms and conditions, including, but not limited to, "click-wrap," "click-through," browse-wrap," or "shrink-wrap", such terms and conditions will be of no force and effect even though they are "accepted" by Purchaser or the user in order to access or use the Software. The relationship of the parties is solely governed by the terms of this Order. In addition, upon Purchaser's request, Seller, at Seller's expense (including ongoing maintenance fees), will deposit in escrow all material relating to the Software (including a copy of the object code, source code, documentation and all annotations thereto) with an escrow agent designated by Purchaser and under a written escrow agreement approved in writing by Purchaser.

(G) Data Rights. Seller agrees that Purchaser, its customers, third party contractors and all other users may access, receive, collect, transmit, maintain, prepare derivatives from, and otherwise use information about Seller's goods and/or services, including, without limitation, machine, technical, systems, usage and related information ("Source Data") to facilitate the provision of products and services, and to verify compliance with the terms of this Agreement. Purchaser, its customers, third party contractors and all other users also has the right to use the Source Data for research, development and continuous improvement of its products, software and services. Purchaser will own all data, concepts, products, services, software, intellectual property and other rights arising from and/or related to Purchaser's use, analysis, research and/or development of the Source Data.

(H) If the work being done hereunder is pursuant to a contract with a governmental entity that contains provisions regarding retention of intellectual property rights of the Seller, Seller shall retain ownership of inventions and Seller hereby grants and agrees to grant to Purchaser an irrevocable, fully paid, perpetual license for all such intellectual property rights, and with the right to extend such license to Purchaser's customers, licensees, co-producers, affiliates and subsidiaries.



(l) The Seller agrees that it will cause its employees to execute contracts of employment or other agreements assuring the Seller's ability to comply fully with the provisions of this Section 8.1.

8.2 INTELLECTUAL PROPERTY INDEMNITY. Seller warrants that any goods and/or services furnished under this Order shall be free of any rightful claim of any third party for infringement of any patent or copyright. Seller shall indemnify and save Purchaser, and Purchaser's subsidiaries and affiliates, and their respective vendors and customers, harmless from and against any expense or liability, including costs, fees and all 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 and/or services or sales of such goods and/or services constitutes infringement of any patent or copyright, alleged infringement of any patent or copyright, or misappropriation of trade secret. If an alleged claim of infringement or misappropriation is made, Seller shall procure for Purchaser, and Purchaser's customers, the rights to continue using the goods and/or services, modify them in a manner acceptable to Purchaser to remove the claim, or with the written approval of Purchaser, replace the goods and/or services with a non-infringing one or remove the goods and/or services and refund the purchase price. The forgoing provisions apply to all goods and/or services provided by the Seller to the Purchaser.

9. CHANGES.

9.1 Purchaser reserves the right at any time to make changes within the general scope of this Order. Such changes may include: (A) drawings, designs or specifications; (B) technical clarifications; (C) artwork; (D) quantity; (E) method of shipment or packing; (F) quality; (G) place or time of delivery; or (H) amount of Purchaser's furnished property. In addition, Purchaser may at any time, by notice to Seller, change the place or time of delivery or suspend performance of the work for such time as it deems appropriate. Upon receiving notice of suspension, Seller shall promptly suspend work to the extent specified, properly caring for and protecting all work in progress and materials, supplies and equipment Seller has on hand for performance. Upon Purchaser's request, Seller shall promptly deliver to Purchaser copies of outstanding purchase orders and subcontracts for materials, equipment and/or services for the work and take such action relative to such purchase orders and subcontracts as Purchaser may direct. Purchaser may at any time withdraw the suspension as to all or part of the suspended work by written notice specifying the effective date and scope of withdrawal. Seller shall resume diligent performance on the specified effective date of withdrawal.

9.2 If any change causes a significant impact on the cost of, or the time required for, performance of any work under this Order, an equitable adjustment shall be made in the price or delivery schedule, or both as applicable, in writing; provided, however, 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. Notwithstanding anything to the contrary contained herein, Purchaser shall have no liability for lost profit or cost of obsolescence, scrap, rework of materials and parts which Seller has released for manufacture in advance of Seller's normal manufacturing cycle required to meet the schedule. Any Seller claim for adjustment under this section shall be deemed waived unless asserted in writing within twenty (20) days after receipt by Seller of the notice to make the change and may only include reasonable, direct costs that will necessarily be incurred as a direct result of the change.

9.3 No departure shall be made by Seller from Purchaser's specifications, nor any change made in materials, sources of supply, or design, manufacturing or assembly processes. Any change(s) to the specifications requested by Seller must be in writing and is(are) subject to the receipt of written approval from Purchaser's Engineering department, to be issued at Purchaser's sole discretion. Seller must request and receive approval from Purchaser of any proposed changes in writing. Failure to do so could result in penalties and or termination of purchase order for default. In the event that Seller desires to transfer any work under this Order to another site or make any material modification in its manufacturing process or the procurement of materials related to the goods, it shall first consult with and obtain the prior written consent of Purchaser, which consent shall not be unreasonably withheld. Such consent by Purchaser shall be subject to qualification of the new site under Purchaser's supplier qualification standards. Purchaser reserves sole right to accept or reject such changes.

9.4 Nothing in this section, including any disagreement with Purchaser as to the equitable adjustment to be made, shall excuse Seller from proceeding with the Order as changed.

10. WARRANTIES.

10.1 Seller warrants that all goods and services provided pursuant to this Order, whether provided by Seller or a direct or indirect supplier of Seller, will be free of any claims of any nature, including without limitation title claims, and will cause any lien or encumbrance asserted to be discharged, at its sole cost and expense, within thirty (30) days of its assertion (provided such liens do not arise out of Purchaser's failure to pay amounts not in dispute under this Order or an act or omission of Purchaser). Seller warrants and represents that all such goods and services will be new and of merchantable quality, not used, rebuilt or made of refurbished material unless approved in writing by Purchaser, free from all defects in design, workmanship and material and will be fit for the particular purpose for which they are intended. Such goods and services will be provided in strict accordance with all specifications, samples, drawings, designs, descriptions or other requirements approved or adopted by Purchaser. Any review or approval of drawings by Purchaser will be for Seller's convenience and will not relieve Seller of its responsibility to meet all requirements of this Order. Any attempt by Seller to limit, disclaim or restrict any such warranties or remedies by acknowledgment or otherwise shall be null, void and ineffective. The warranties shall apply to Purchaser, its successors, assigns and the users of goods and services covered by this Order.

10.2 The warranties set forth in section 10.1 only shall apply for a period of forty-eight (48) months, plus delays (such as those due to non-conforming goods and services), from the date (A) of Seller's delivery of all goods to destination/performance of the services; and (B) such goods or services have successfully passed all performance and operational tests as applicable and required under the Order. The 48-month limitation contained in this Section 10.2 does not supersede or otherwise alter or limit any performance and/or reliability requirements set forth in the specifications or other documents governing this Order.



10.3 If any of the goods and/or services are found to be defective or otherwise not in conformity with the warranties in this section during the warranty period, then, Purchaser, in addition to any other rights, remedies and choices it may have by law, contract or at equity, and in addition to seeking recovery of any and all damages and costs emanating therefrom, at its option and sole discretion and at Seller's expense may: (A) require Seller to inspect, remove, reinstall, ship and repair or replace/re-perform nonconforming goods and/or services with goods and/or services that conform to all requirements of this Order; (B) take such actions as may be required to cure all defects and/or bring the goods and/or services into conformity with all requirements of this Order, in which event all related costs and expenses (including, but not limited to, material, labor and handling costs and any required re-performance of value added machining or other service) and other reasonable charges shall be for Seller's account; and/or (C) reject and return all or any portion of such goods and/or services. Any repaired or replaced good, or part thereof, or re-performed services shall carry warranties on the same terms as set forth above, with the warranty period being the greater of the original unexpired warranty or twenty-four (24) months after repair or replacement.

10.4 Purchaser's failure to inspect, accept, reject or detect defects by inspection shall neither relieve Seller from responsibility for such goods or services that are not in accordance with the Order requirements nor impose liabilities on Purchaser.

11. INDEMNITY AND INSURANCE.

11.1 INDEMNITY. Seller shall defend, indemnify, release and hold harmless Purchaser, its directors, officers, employees, agents representatives, successors and assigns, 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, fines, penalties, damages, costs, expenses, or liabilities (including without limitation claims for personal injury or property or environmental damage, claims or damages payable to customers of Purchaser, and breaches of Sections 16, and/or 18 below) arising from any act or omission of Seller, its agents, employees, or subcontractors, except to the extent attributable to the sole and direct gross negligence of Purchaser. Seller further agrees to indemnify Purchaser for any attorneys' fees or other costs that Purchaser incurs in the event that Purchaser has to file a lawsuit to enforce any indemnity or additional insured provision of this Order.

11.2 INSURANCE. Seller shall maintain the following insurance: (A) Comprehensive General Liability in the minimum amount of \$3,000,000 combined single limit per occurrence with coverage for bodily injury/property damage, including coverage for contractual liability insuring the liabilities assumed in this Order, products liability, contractors protective liability, where applicable, collapse or structural injury and/or damage to underground utilities, where applicable; (B) Business Automobile Liability Insurance covering Comprehensive Automobile Liability covering bodily injury/property damage and all owned, hired and non-owned automotive equipment used in the performance of the Order in the amount of \$2,000,000 combined single limit each occurrence; (C) Employers' Liability in the amount of \$1,000,000 each occurrence; (D) Property Insurance covering the full value of all goods and services owned, rented or leased by Seller in connection with this Order and covering damage to property in Seller's care, custody and control; and (E) appropriate Workers' Compensation Insurance protecting Seller from all claims under any applicable Workers' Compensation and Occupational Disease Act. Coverage similar to Workers' Compensation and Employers' Liability shall be obtained for each local employee outside the United States where work in connection with this Order is performed. Purchaser shall be named as additional insured under Seller's Comprehensive General Liability policy for any and all purposes arising out of or connected to this Order. Seller shall furnish Purchaser an endorsement showing that Purchaser has been named an additional insured and a certificate of insurance completed by its insurance carrier(s) certifying that insurance coverages are in effect and will not be canceled or materially changed except ten (10) days after Purchaser's written approval. Seller hereby waives subrogation. All insurance specified in this section shall contain a waiver of subrogation in favor of Purchaser, its affiliates and their respective employees for all losses and damages covered by the insurances required in this section, including coverage for damage to Purchaser's property in Seller's care, custody or control.

12. SELLER'S EMPLOYEES

12.1 Seller's personnel performing services under this Order shall remain employees of Seller subject to its right of direction, control and discipline and shall neither become employees of Purchaser nor be entitled to any rights, benefits or privileges of Purchaser employees. As appropriate, Purchaser shall give direction as to the ultimate objective of the project to the Seller. The Seller shall ensure that its personnel adhere to the terms and policies in this Order and that they have the requisite knowledge, training and ability to perform work under this Order competently and in accordance with applicable laws and regulations.

12.2 Seller's employees are not authorized to enter into any agreements or to make any commitments financial or otherwise on behalf of Purchaser.

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

13.1 If Seller's work under this Order involves operations by Seller on the premises of Purchaser or Purchaser's customer or access to Purchaser's systems or its computers, 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.

(B) Seller represents and warrants that all of its employees who will perform work under this Order on Purchaser's or its customer's premises have been tested and are free from illegal drugs. The term "illegal drugs" does not include the use of a controlled substance pursuant to a valid prescription. The prescription medication must not prevent the employee from performing competent and safe work.

OR (to be used in circumstances where Seller does not have the right to conduct routine drug testing):



(B) Seller represents and warrants that it will use reasonable endeavors to ensure that all of its employees who will perform work under this Order on Purchaser's or its customer's premises are free from illegal drugs. In the event that Seller has reason to suspect that any employee performing work under this Order on Purchaser's or its customer's premises, Seller agrees to take immediate steps to remove such employee from Purchaser's or its customer's premises and procure that the employee does not continue to perform work under this Order. The term "illegal drugs" does not include the use of a controlled substance pursuant to a valid prescription. The prescription medication must not prevent the employee from performing competent and safe work.

(C) To the extent permissible by law, Seller represents and warrants that it will conduct a criminal conviction records investigation of any employee before they are assigned to work on any order that requires that employee to enter Purchaser's or its customer's premises.

13.2 Seller shall include this provision in any subcontract placed pursuant to this Order where the subcontractor will perform work on Purchaser's or its customer's premises.

13.3 Purchaser reserves the right to deny access to or expel from its or its customer's premises and/or systems in Purchaser's sole discretion any person for any reason including but not limited to those who fail to adhere to these referenced procedures or appear on government-issued lists (i.e. the Department of State list of terrorists, suspects, etc., 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. AUDIT AND INSPECTION. Seller shall permit Purchaser or its representatives to have reasonable access to the site(s) where work under this Order is performed to assess Seller's compliance with its representations and warranties in order to assess Seller's work quality, conformance with Purchaser's specifications and compliance with this Order. Upon reasonable notice by Purchaser, all: (A) goods, materials and services related in any way to the goods and services purchased hereunder (including without limitation raw materials, components, intermediate assemblies, work in process, tools and end products) shall be subject to inspection and test by Purchaser and its customer or representative at all times and places, including sites where the goods and services are created or performed, whether they are at premises of Seller, Seller's suppliers or elsewhere; and (B) Seller's books and records relating to this Order shall be subject to audit and inspection by Purchaser.

14.1 If any inspection, test, audit or similar oversight activity is made on Seller's or its suppliers' premises, Seller shall, without additional charge: (A) provide all reasonable access and assistance for the safety and convenience of the inspectors and (B) take all necessary precautions and implement appropriate safety procedures for the safety of Purchaser's personnel while they are present on such premises.

14.2 Seller shall provide and maintain an inspection, testing and process control system acceptable to Purchaser and its customer covering the goods and services to ensure compliance with this Order and shall keep complete records available to Purchaser and its customer for three (3) years after completion of this Order. Acceptance of such system by Purchaser shall not alter the obligations and liability of Seller under this Order.

15. PARTS COMPLIANCE AND MATERIALS TEST CERTIFICATION:

15.1 By acceptance of this Order, Seller certifies that goods supplied shall conform to all requirements of this Order, including referenced specifications in effect as of the date of purchase order placement or as modified pursuant to Section 9, and that Objective Evidence of conformance and specifications required by this Order is on file and available for examination by Purchaser. For the purposes of this section, "Objective Evidence" shall mean any statement of fact pertaining to the quality of a good 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.

15.2 The Seller shall comply with the Purchaser's deviation process using the Supplier Collaboration Portal. The Seller shall submit an on-line deviation request and receive Purchaser's written approval prior to shipping any part that does not meet the Purchaser specifications or requirements.

15.3 Seller shall conform to Purchaser's Discrepant Material Report ("DMR") and Nonconforming Material Returns ("NCMR") processes. In addition to any other remedies Purchaser may have, the Purchaser shall have the right charge the Seller \$200, per occurrence, for any part found defective via DMR or NCMR where the Seller is at fault to cover the processing costs of the DMR or NCMR for the Purchaser. If the Seller has three (3) DMRs or NCMRs written against the same part within six (6) months, then the Purchaser shall charge an additional fee of \$1,000 or 25% of the cost (whichever is less) of the defective quantity of the part as a recovery against manufacturing impacts to the Purchaser.

15.4 Seller shall comply with all requirements of the Purchaser's component/supplier validation process before production parts can be shipped to Purchaser. Seller shall notify Purchaser and adhere to component/supplier validation process if any changes in part parameters, processes used to produce parts, or facilities changes occur throughout Seller's supply chain. Seller shall provide on-going part verification data in accordance with Purchaser's component/supplier validation process including real-time data for any characteristics identified as Critical To Quality characteristics (CTQs). Data for CTQs shall be provided via Purchaser's electronic systems. Seller shall perform timely failure analysis and implement corrective actions for components found to be defective from Purchaser. Any review or approval by Purchaser regarding the validation process will be for Seller's convenience and will not relieve Seller of its responsibility to meet all requirements of this Order

16. CONFIDENTIALITY.



16.1 Seller shall keep confidential any: (A) other tangible or intangible property furnished by Purchaser in connection with this Order, including any drawings, specifications, data, goods and/or information; (B) technical, process, proprietary or economic information derived from drawings or 3D or other models owned or provided by Purchaser; and (C) other tangible or intangible property furnished by Purchaser in connection with this Order, including any drawings, specifications, data, goods and/or information (the "Confidential Information") and shall not divulge, directly or indirectly, the Confidential Information for the benefit of any other party without Purchaser's prior written consent. Confidential Information shall also include any notes, summaries, reports, analyses or other material derived by Seller in whole or in part from the Confidential Information in whatever form maintained (collectively, "Notes"). Except as required for the efficient performance of this Order, Seller shall not use or permit copies to be made of the Confidential Information without Purchaser's prior written consent. If any such reproduction is made with prior written consent, notice referring to the foregoing requirements shall be provided thereon.

16.2 The restrictions in this section regarding the Confidential Information shall be inoperative as to particular portions of the Confidential Information disclosed by Purchaser to Seller if such information: (A) is or becomes generally available to the public other than as a result of disclosure by Seller; (B) was available on a non-confidential basis prior to its disclosure to Seller; (C) is or becomes available to Seller on a non-confidential basis from a source other than Purchaser when such source is not, to the best of Seller's knowledge, subject to a confidentiality obligation with Purchaser, or (D) was independently developed by Seller, without reference to the Confidential Information, and Seller can verify the development of such information by written documentation. Upon completion or termination of this Order, Seller shall promptly return to Purchaser all Confidential Information, including any copies thereof, and shall destroy (with such destruction certified in writing by Seller) all Notes and any copies thereof. Any knowledge or information, which Seller shall have disclosed or may hereafter disclose to Purchaser and which in any way relates to the goods or services purchased under this Order (except to the extent deemed to be Purchaser's property as set forth in Section 7), shall not be deemed to be confidential or proprietary and shall be acquired by Purchaser free from any restrictions (other than a claim for infringement) as part of the consideration for this Order, and notwithstanding any copyright or other notice thereon, Purchaser shall have the right to use, copy, modify and disclose the same as it sees fit.

17. SECURITY AND CRISIS MANAGEMENT REQUIREMENTS. Seller will (1) develop and implement security procedures ("Security Improvement Plan") in accordance with (A) the recommendations of the United States Customs Service under the provisions of the Customs-Trade Partnership Against Terrorism ("C-TPAT") for Seller's type of business, (B) the requirements or recommendations of the EU Authorized Economic Operator ("AEO") program, and (C) any other governmental program for protection of international supply chains; and (2) upon request of Purchaser, provide a written copy of the Security Improvement Plan.

18. COMPLIANCE WITH LAWS.

18.1 **GENERAL.** Seller represents, warrants, certifies and covenants (collectively "Covenants") that it will comply with all laws applicable to the goods, services and/or the activities contemplated or provided under this Order, including, but not limited to, any national, international, federal, state, provincial or local law, treaty, convention, protocol, common law, regulation, directive or ordinance and all lawful orders, including judicial orders, rules and regulations issued thereunder, including without limitation those dealing with the environment, health and safety, employment, records retention, personal data protection and the transportation or storage of hazardous materials. Seller shall also comply with good industry practices, including the exercise of that degree of skill, diligence, prudence and foresight which can reasonably be expected from a competent Seller who is engaged in the same type of service or manufacture under similar circumstances in a manner consistent with all applicable requirements and with all applicable generally recognized international standards. Seller further agrees at Purchaser's request to provide certificates relating to any applicable legal requirements or to update any and all of the certifications, representations and warranties under this Order in form and substance satisfactory to Purchaser.

18.2 **ENVIRONMENT, HEALTH AND SAFETY.**

(A) When Seller ships goods to Purchaser, Seller shall provide with the goods in the language(s) of the locations where the goods are delivered to Purchaser or its designee: (1) safe use instructions; (2) hazard communication, safe transport and labeling information; (3) regulatory, compliance and certification documentation; and (4) for chemical substances and mixtures, safety data sheets (MSDS/SDS) in all readily available languages.

(B) Upon request Seller shall provide the chemical composition of the goods and any other relevant information regarding the goods, including without limitation, test data and safe use and hazard information, subject to reasonable protection of Seller's confidential business information.

(C) Seller covenants any goods Seller provides to Purchaser comply with all laws governing the management, handling, shipping, import, export, notification, registration or authorization of chemical substances such as the Montreal Protocol, the Stockholm Convention on Persistent Organic Pollutants, the US Toxic Substances Control Act, the European Union's Restrictions on Hazardous Substances and REACH legislation, and other comparable chemical regulations (collectively "chemicals legislation"); and can be used as contemplated by Purchaser in full compliance with the chemicals Legislation. Unless GE has expressly agreed otherwise in writing, Seller covenants that the goods do not contain (1) any chemicals that are restricted or otherwise banned under "chemicals legislation" and/or (2) contain lead, mercury, cadmium, hexavalent chromium, polybrominated biphenyls (PBB), polybrominated diphenyl ethers (PBDE), arsenic, asbestos, benzene, polychlorinated biphenyls (PCBs), or carbon tetrachloride. Seller shall notify Purchaser in writing of the presence of any engineered nanoscale material in the goods or use in Seller's operations.

18.3 **ANTI-DUMPING.** Seller represents, warrants, certifies and covenants that all sales made hereunder are made in circumstances that will not give rise to the imposition of new anti-dumping or countervailing duties under United States law (19 U.S.C. Sec. 1671 et seq.), European Union (Council Regulation (EC) No. 384/96 of December 22, 1995, Commission Decision No. 2277/96/ECSC of November 28, 1996), similar laws in such jurisdictions or the law of any other country to which the goods may be



exported. To the full extent permitted by law, Seller will indemnify, defend and hold Purchaser harmless from and against any costs or expenses (including any countervailing duties which may be imposed and, to the extent permitted by law, any preliminary dumping duties that may be imposed) arising out of or in connection with any breach of this warranty. In the event that countervailing or anti-dumping duties are imposed that cannot be readily recovered from Seller, Purchaser may terminate this Order with no further liability of any nature whatsoever to Seller hereunder. In the event that any jurisdiction imposes punitive or other additional tariffs on goods subject to this Order in connection with a trade dispute or as a remedy in an "escape clause" action or for any other reason, Purchaser may, at its option, treat such increase in duties as a condition of force majeure.

18.4 IMPORTER OF RECORD AND DRAWBACK. If goods are to be delivered DDP (INCOTERMS 2000) to the destination country, Seller agrees that Purchaser will not be a party to the importation of the goods, that the transaction(s) represented by this Order will be consummated after importation and that Seller will neither cause nor permit Purchaser's name to be shown as "importer of record" on any customs declaration. Seller also confirms that it has Non-Resident importation rights, if necessary, into the destination country with knowledge of the necessary import laws. If Seller is the importer of record into the United States for any goods, including any component parts thereof, associated with this Order, Seller shall provide Purchaser required documentation for Duty Drawback purposes which includes, but is not limited to, Customs Form 7552 entitled "Certificate of Delivery" properly executed as well as Customs Form 7501 "Entry Summary" and a copy of Seller's Invoice. Seller shall accurately indicate the Country of Origin of the goods sold hereunder on the customs/commercial invoice and other applicable documentation. When requested by Purchaser, Seller shall execute such documents as may be necessary to allow Purchaser to claim duty preference under any and all applicable programs.

18.5 INTERNATIONAL TRADE CONTROLS. All transactions hereunder shall at all times be subject to and conditioned upon compliance with all applicable export control laws and regulations and any amendments thereto. The parties hereby agree that they shall not, except as said applicable laws and regulations may expressly permit, make any disposition by way of transshipment, re-export, diversion or otherwise, of any goods, technical data, or software, or the direct product thereof, furnished by either party in connection with this Order. The obligations of the parties to comply with all applicable export control laws and regulations shall survive any termination or discharge of any other contract obligations.

18.6 SUBCONTRACT FLOWDOWN TERMS FOR US GOVERNMENT CONTRACTS. Where the goods and/or services being procured by Purchaser from Seller are in support of a U.S. Government end customer or an end customer funded in whole or part by the U.S. Government, Seller shall comply with the US Government flowdown terms and conditions located at <http://www.gesupplier.com/html/GEpolicies.htm> and which are incorporated herein by reference. The version of these clauses/provisions/requirements shall be those that are in effect as of the date of this Order.

18.7 PROHIBITED GOODS AND SERVICES: The United States of America prohibits the importation of goods or the purchase of 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 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/>

19. TERMINATION.

19.1 TERMINATION FOR CONVENIENCE. Purchaser may terminate all or any part of this Order at any time by written notice to Seller. Upon termination (other than due to Seller's insolvency or default including failure to comply with this Order), Purchaser and Seller shall negotiate reasonable termination costs consistent with costs allowable under Section 9 "Changes" and identified by Seller within thirty (30) days of Purchaser's termination notice to Seller, unless the parties have agreed to a termination schedule in writing.

19.2 TERMINATION FOR DEFAULT. Except for delay due to causes beyond the control and without the fault or negligence of Seller and all of its suppliers (lasting not more than 60 days), Purchaser, without liability, may by written notice of default, terminate the whole or any part of this Order if Seller: (A) fails to perform within the time specified or in any written extension granted by Purchaser; (B) fails to make progress which, in Purchaser's reasonable judgment, endangers performance of this Order in accordance with its terms; or (C) fails to comply with any of the terms of this Order. Such termination shall become effective if Seller does not cure such failure within ten (10) days of receiving notice of default. Upon termination, Purchaser may procure at Seller's expense and upon terms it deems appropriate, goods or services similar to those so terminated. Seller shall continue performance of this Order to the extent not terminated and shall be liable to Purchaser for any excess costs for such similar goods or services. As an alternate remedy and in lieu of termination for default, Purchaser, at its sole discretion, may elect to extend the delivery schedule and/or waive other deficiencies in Seller's performance, making Seller liable for any costs, expenses or damages arising from any failure of Seller's performance. If Seller for any reason anticipates difficulty in complying with the required delivery date, or in meeting any of the other requirements of this Order, Seller shall promptly notify Purchaser in writing. If Seller does not comply with Purchaser's delivery schedule, Purchaser may require delivery by fastest method and charges resulting from the premium transportation must be fully prepaid by Seller. Purchaser's rights and remedies in this clause are in addition to any other rights and remedies provided by law, equity or under this Order.

19.3 TERMINATION FOR INSOLVENCY/PROLONGED DELAY. If Seller ceases to conduct its operations in the normal course of business or fails to meet its obligations as they mature or if any proceeding under the bankruptcy or insolvency laws is brought by or against Seller, a receiver for Seller is appointed or applied for, an assignment for the benefit of creditors is made or an excused delay (or the aggregate time of multiple excused delays) lasts more than 60 days, Purchaser may immediately terminate this Order without liability, except for goods or services completed, delivered and accepted within a reasonable period after termination (which will be paid for at the Order price).



19.4 OBLIGATIONS ON TERMINATION. Upon expiration or after receipt of a notice of termination for any reason, Seller shall immediately: (A) stop work as directed in the notice; (B) place no further subcontracts or purchase orders for materials, services or facilities hereunder, except as necessary to complete the continued portion of this Order; and (C) terminate all subcontracts to the extent they relate to work terminated. After termination, Seller shall deliver to Purchaser all completed work and work in process, including all designs, drawings, specifications, other documentation and material required or produced in connection with such work and all of Purchaser's Confidential Information as set forth in Section 16.

20. PRIVACY AND DATA PROTECTION; PRODUCT CYBERSECURITY.

20.1 PRIVACY & DATA PROTECTION. Seller agrees that GE Confidential Information will be subject to organizational, technical, and physical controls and other safeguards set out in the "Privacy and Data Protection Appendix" located at the following link: <http://www.gesupplier.com/html/GEpolicies.htm>. If Seller has access to GE Restricted Data, Sensitive Personal Information, Controlled Data or GE Information System as defined in the Privacy and Data Protection Appendix then Seller agrees to comply and apply such additional safeguards and to grant Purchaser such additional rights as are set forth in the Privacy and Data Protection Appendix relating to such data.

20.2 PRODUCT CYBERSECURITY. Seller agrees that all goods supplied under this Order that include executable binary code shall comply with the terms and conditions of the Product Cybersecurity Appendix located at <http://www.gesupplier.com/html/GEpolicies.htm>.

21. MISCELLANEOUS.

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

21.2 QUANTITY.

(A) Purchaser is not obligated to purchase any quantity of goods and/or services except for such quantity(ies) as may be specified either: (1) on the face of an Order; (2) in a "release" on the face of an Order; or (3) on a separate written release issued by Purchaser pursuant to an Order. The quantity of goods or services, if any, specified in requests for quotation or forecasts supplied by Purchaser from time to time, or otherwise, is an estimate only. Unless otherwise agreed to in writing by Purchaser, Seller shall not make material commitments or production arrangements in excess of the quantities specified in Purchaser's Order or release and/or in advance of the time necessary to meet Purchaser's delivery schedule. Should Seller enter into such commitments or engage in such production, any resulting exposure shall be for Seller's account. Goods delivered to Purchaser in excess of the quantities specified in Purchaser's Order or release and/or in advance of schedule may be returned to Seller at Seller's risk and expense, including but not limited to any cost incurred by Purchaser related to storage and handling of such goods.

(B) Seller shall give Purchaser 180 calendar days' prior written notice of the permanent discontinuance of production of any goods purchased hereunder and/or necessary for the production/provision of goods and/or services hereunder. The foregoing obligation shall survive termination or expiration of the Order for five calendar years. Additionally, for all goods purchased hereunder, Seller shall provide replacement parts for a period of five years after production by Seller of such goods ceases. Seller shall continue to supply such replacement parts past the five year if Purchaser orders at least 20 replacements parts per year during such five-year period. The prices for any replacement parts purchased in the first 2 years of the five-year period shall not exceed those prices in effect at the time production of the relevant goods cease. Thereafter, the prices for replacement parts shall be negotiated based upon Seller's actual cost of production of such replacement parts plus any special packaging costs. After the end of the above five-year period, Seller shall continue to maintain in good working condition all Seller-owned tooling required to produce the goods and/or replacement parts, and shall not dispose of or sell such tooling without first contacting Purchaser and offering Purchaser the right to purchase such tooling. Seller's obligations with regard to any Purchaser owned tooling are set forth in Section 7, above. No minimum order requirements for replacement parts shall apply unless the parties mutually agree in advance and expressly in writing. All replacement parts purchased by Purchaser shall be subject to the terms of this Order.

21.3 GOVERNING LAW. This Order shall be governed by the laws of the jurisdiction in which Purchaser is organized, notwithstanding such jurisdictions conflict of laws rules. For any Purchaser organized in the U.S., New York law shall govern, notwithstanding its conflict of laws rules. The application of the United Nations Convention on the International Sale of Goods is hereby excluded except as expressly referenced herein.

21.4 WAIVER, MODIFICATION AND SEVERABILITY. Any failure or delay in the exercise of rights or remedies under this Order will not operate to waive or impair such rights or remedies. Any waiver given will not be construed to require future or further waivers. No waiver, alteration or modification of any of the provisions of this Order shall be binding upon either party unless in a subsequent writing signed by the duly authorized representative of the party intended to be bound thereby. If any portion of this Order is determined to be contrary to any controlling law, rule or regulation, such portion will be revised or deleted from this Order, but the balance of this Order will remain in full force and effect. The invalidity, in whole or in part, of any of the foregoing sections or paragraphs of this Order shall not affect the remainder of such sections or paragraphs or any other section or paragraph of this Order, which shall continue in full force and effect. Further, the parties agree to give any such section or provision deemed invalid, in whole or in part, a lawful interpretation that most closely reflects the original intention of Purchaser and Seller.

21.5 SECURITY INTEREST. 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 goods ordered by Purchaser under this Order. Seller agrees to execute and deliver all documents requested by Purchaser to protect and maintain Purchaser's security interest.

21.6 **RELEASE OF INFORMATION/PUBLICITY.** Seller shall not make any announcement, take or release any photographs (except for its internal operation purposes for the manufacture and assembly of the 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.

21.7 **PROPER BUSINESS PRACTICES.** Seller shall act in a manner consistent with Purchaser's Integrity Guide for Suppliers, Contractors and Consultants, a copy of which is acknowledged to have been provided to Seller and can be found at the following Internet address <http://www.gesupplier.com/html/SuppliersIntegrityGuide.htm>, all laws concerning improper or illegal payments and gifts or gratuities and agrees not to pay, promise to pay or authorize the payment of any money or anything of value, directly or indirectly, to any person for the purpose of illegally or improperly inducing a decision or obtaining or retaining business in connection with this Order. Further, in the execution of its obligations under this Order, Seller shall take the necessary precautions to prevent any injury to persons or to property.

21.8 **REMEDIES.** Unless expressly indicated otherwise, any right or remedy of Purchaser set forth in this Order shall not be exclusive, and, in addition thereto, Purchaser shall have all rights and remedies under applicable law, including, without limitation, injunctive and/or equitable relief. Without limiting the generality of the foregoing, the parties agree that, whether as a result of breach of contract, warranty, tort (including negligence or patent infringement) or otherwise, Seller shall be liable for any special, consequential, incidental, indirect or exemplary damages relating to the goods, including, but not limited to, contractual liability of Purchaser to its customers, and liability for property damage or personal injury.

21.9 **OFFSET AND COUNTERTRADE CREDIT VALUE REQUIREMENTS.** All offset or countertrade credit value resulting from this Order shall accrue solely to the benefit of Purchaser. Seller agrees to cooperate with Purchaser in the fulfillment of any foreign offset/countertrade obligations.

21.10 **RECORD RETENTION REQUIREMENTS.** Seller shall maintain, for eight (8) years from the date of final payment under this Order or subcontract, purchase order files for supplies, equipment, material, or services including supporting related documentation, records 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 and quality records, including inspection records, material certifications, and acceptance test records.

21.11 **ENTIRE AGREEMENT.** This Order, with documents as are expressly incorporated by reference, is intended as a complete, exclusive and final expression of the parties' agreement with respect to the subject matter hereof and supersedes any prior or contemporaneous agreements, whether written or oral, between the parties. The parties represent that they are not relying upon any representations, understandings or agreements, written or oral, which are not included herein in making their respective decisions to execute this Agreement. This Order may be executed in one or more counterparts, each of which shall for all purposes be deemed an original and all of which shall constitute the same instrument. Facsimile signatures on such counterparts are deemed originals. No course of prior dealings and no usage of the trade shall be relevant to determine the meaning of this Order even though the accepting or acquiescing party has knowledge of the performance and opportunity for objection. The term "including" shall mean and be construed as "including, but not limited to", unless expressly stated to the contrary. All provisions or obligations contained in this Order, which by their nature or effect are required or intended to be observed, kept or performed after termination or expiration of an Order will survive and remain binding upon and for the benefit of the parties, their successors (including without limitation successors by merger) and permitted assigns including, without limitation, Sections 7, 8, 10, 11, 14, 16, 18 and 20.