



a GE Aerospace company

REIMBURSEMENT SCHEDULE

The following schedule only applies to purchase orders issued by (i) GE Avio S.r.l., (ii) Avio Polska Sp. z o.o., and (iii) GE Aviation Czech S.r.o. (all trading as “Avio Aero”)

Nonconformances: Purchaser will charge Seller the following amounts for each nonconformance.

Event Description	Amount
Nonconformance Detected in Avio Aero with Supplier’s Liability (e.g. At Source MRB QN 4000/ QN 5000 for GE Avio S.r.l. sites) Having Impact to Delivery to Customers	\$500 + Add-ons
Nonconformance Detected in Avio Aero with Supplier’s Liability (e.g. At Source MRB QN 4000/ QN 5000 for GE Avio S.r.l. sites)	\$150 + Add-ons
Out of Box Customer Return	\$2,000 + Add-ons
Notice of Escape to Customer	\$3,000 + Add-ons

Add-ons

<i>Add-on (Avio Aero Internal)</i>	
Labor Incurred Rework/Retest	\$ Amount Accrued
At Source MRB Accept/Repair	2% Part Cost/\$ Accrued
RTV	\$100
Missing Paperwork	\$100
Scrap	Part Cost
Schedule Disruption	\$1,000
<i>Add-on (Avio Aero External)</i>	
Safety of Flight Immediate Act	\$30,000
Field Retrofit	\$15,000
Service Bulletin issuance	\$7,500

The amounts set forth above are subject to revision on an annual basis at Avio Aero’s discretion.

Definitions

“At Source MRB” means a non-conforming part which is subject to MRB (Material Review Board):

“Field Retrofit” means a nonconforming good must be replaced or changed in the field or at the air framer.

“Labor Incurred Rework/Retest” means any labor accrued based on rework and/or retesting.

“Missing Paperwork” means product was delivered lacking necessary documentation.

“MRB – Accept/Repair” means a quality event that is deemed accepted as a non-conformance and possibly has additional labor accrued due to repair practices.

“Nonconformance” means a failure of a characteristic to conform to the requirements specified in the contract, drawings, specifications, or other approved product description. The failure to perform all material tests and inspections required by the approved product description and/or the failure to perform tests and inspections required in the approved product description.

“Notice of Escape to Customer” means customer has been notified of a non-conforming good.



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“Out of Box Customer Return” means the delivered product has failed at the end customer and been returned.

“RTV” means product needs to be Returned to Vendor due to non-conformance or non-compliance.

“Safety of Flight Immediate Act” means an action has to be taken to address fielded product.

“Schedule Disruption” means any schedule changes resulting from a quality event.

“Scrap” means product was deemed unusable.

“Service Bulletin issuance” means an action that comes out of PCB.