



GE Supply

GE Supply Logistics
9500 N Royal Ln, Suite 130
Irving, TX 75063
USA

December 15, 2006

To: Our Valued Suppliers
Re: GESL Supplier Non-Conformance & Returns Policy

Dear Suppliers:

At GE Supply Logistics (GESL), we are continually searching for opportunities to improve our quality, on-time delivery, and responsiveness to our valued customers. One opportunity for improvement is in the resolution of over shipments, early shipments, and non-conforming material receipts.

We are confident that you, as a supplier, also have the same sincere interest in customer satisfaction and that you strive to ensure that all delivered material conforms to drawing and purchase order requirements, but in the rare occasion that a mistake occurs, we should team together to resolve these issues, enabling a rapid response to our customers and overall reduction of cost and cycle time in the Supply Chain.

In the spirit of this cooperative effort, GESL would like to remind our suppliers of key points regarding the supplier non-conformance and returns policy:

- Upon identification of a defect, including, but not limited to, over/early/duplicate shipments, non-conforming material or packaging, or lack of a required certification, GESL will immediately contact your organization to communicate the defect in detail, and provide you the opportunity to resolve the issue.
- If the issue cannot be resolved, you will have an opportunity to issue to us a return authorization, as applicable.
- If, after 48 hours from initial notification (excluding weekends & holidays), you have been unable to provide satisfactory resolution, we will **debit your account** or **withhold payment**, per our Terms & Conditions.
- More information can be found at GESL's Supplier Portal:
 - http://gesupplylogistics.com/GESL_Supplier/supplierinfo.html

For any initial questions regarding this policy, please contact the undersigned at 972-915-1800. For routine questions on variances or receipts, please contact your GESL Buyer. Thank you in advance for your cooperation with respect to these requirements - the first of several process improvements that will be expected of our suppliers in 2007 - and we look forward to growing our business together.

Regards,

Jeff Cline
Quality Leader

Corey Lehman
Global Sourcing Leader