

## FIRST AMENDMENT TO GENERAL TERMS AGREEMENT

**THIS FIRST AMENDMENT TO THE GENERAL TERMS AGREEMENT** is made as of the 22<sup>nd</sup> day of July, 2013, between AAR Parts Trading, Inc. ("AAR") and Sumitomo Corporation ("Sumitomo").

WHEREAS, AAR and Sumitomo are parties to a General Terms Agreement (with attached schedules and Addendum), dated as of September \_6th\_\_\_\_, 2012 (the "Agreement").

WHEREAS, AAR and Sumitomo desire to amend the Agreement as set forth herein.

NOW, THEREFORE, in consideration of the mutual promises contained herein, AAR and Sumitomo agree that effective as of the date hereof, the Agreement is amended as follows:

1. The first Whereas Clause of the Agreement is restated in full as follows:

WHEREAS, Seller is a distributor of certain original equipment manufacturer ("OEM") aircraft parts listed on Exhibit A hereto (hereafter referred to as the "Products");

2. Exhibit A of the Agreement is amended as set forth on the Exhibit A attached hereto.

3. Section 10.A. is amended as follows:

In the second sentence of the first paragraph, the phrase "If no later than fourteen (14) months" is amended to read as follows:

"If no later than the period of time (applicable to a particular Product) as set forth on Exhibit A...."

In the first sentence of the second paragraph, the phrase "ADDITIONALLY, BUYER AGREES THAT THE USE OR INCORPORATION OF ANY PARTS OR REPAIRS INTO A PRODUCT WHICH ARE NOT HAMILTON SUNSTRAND" is amended to read as follows:

"ADDITIONALLY, BUYER AGREES THAT THE USE OR INCORPORATION OF ANY PARTS OR REPAIRS INTO A PRODUCT WHICH ARE NOT OEM..."

4. Section 12 is amended to insert the following after the first paragraph:

"In the event any failure to perform or delay in performance by Seller with respect to the Seller's sale of E-2C (Except "Outer Wing Panel Assy (Panel Assy) P/N: 123W54100 series or equivalent item) parts under this Agreement arises out of causes other than those executed under the clause titled "Force Majeure/Delay," and such failure or delay subsequently causes failure or delay of


performance by Buyer of Buyer's contract with the Japanese Ministry of Defense and Buyer is forced to and does make payment to the Japanese Ministry of Defense in accordance with the Japanese Ministry of Defense contract terms, Seller shall pay to Buyer the U.S. dollar equivalent of the amount of yen paid by Buyer to the Japanese Ministry of Defense at the yen/dollar exchange rate on date of Seller's payment to Buyer within thirty (30) days of Buyer's written request accompanied by receipt of payment.

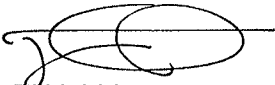
The payment amount shall be determined on a unit price basis and shall be not more than 1/2000 of Seller's contract item unit price amount for delay per day for each unit delayed with a maximum ceiling of 1/10th of the contract unit price affected by the delay or the failure to perform or both."

5. Except as specifically amended hereby, the Agreement is and shall remain in full force and effect.

**IN WITNESS WHEREOF**, the parties have executed and delivered this Amendment to the Agreement as of the date first written above.

**AAR Parts Trading, Inc.**

By:   
Name: \_\_\_\_\_  
Title: **John M. Holmes**  
**Vice President**  
Sumitomo Corporation

By:   
Name: Eiji Ishida  
Title: General Manager, Aerospace Dept

## EXHIBIT A – LIST OF PARTS

“Product” shall mean:

1. The military aircraft parts listed below and their related subcomponents, for the listed aircraft platforms that are manufactured by HSPS.

T-62T-40-1 (H-60)  
T-62T-2B (CH-47)  
T-62T-40-8 (Jet Fuel Starter)(F-2)  
T-62T-40-CAD1 (U125)  
T-62T-27 (MH-53)  
T62T-40-C7EH (MCH-101)  
T-62T-40-7 (LCAC)

WARRANTY PERIOD – FOURTEEN (14) MONTHS for MOD direct business, TWELVE (12) MONTHS for Japanese Industry business

2. The military aircraft parts listed below and their related subcomponents, for the listed aircraft platforms that are manufactured by Northrop Grumman Corporation-Aerospace Systems (NGC-AS):

E-2C (Except “Outer Wing Panel Assy (Panel Assy) P/N: 123W54100 series or equivalent item)

WARRANTY PERIOD – THIRTEEN (13) MONTHS.