SIKORSKY AIRCRAFT CORPORATION
SUPPLEMENTAL CLAUSES FOR SUBCONTRACTS

To the extent the terms and conditions contained herein conflict with those in the applicable Lockheed Martin CorpDoc Terms, the terms contained in this Supplement shall control.

1. <u>**Aviation Unique Requirements**</u>

   a) Seller shall be registered on the Government-Industry Data Exchange Program (GIDEP) and shall have an active GIDEP Alert screening process. Seller shall i

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c) Delivery Dates which do not allow sufficient Lead Time shall be considered Need Dates and Seller shall use all commercially reasonable efforts to meet Need Dates. If Seller agrees to the Need Date, the Need Date shall be considered the Delivery Date.

d) If Seller is unable to deliver Goods by the Need Date, Buyer may, without liability: (i) reduce or cancel its requirements for any part of the quantity of the Goods that cannot be delivered by the Need Date, (ii) reallocate to another Order, or reschedule, any portion of the Goods that cannot be delivered by the Need Date, or (iii) waive the Need

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enter into any settlement without Buyer's prior written consent, which shall not be unreasonably withheld.

d) Buyer may, at Buyer's expense, supersede Seller in the defense of any Claim, and assume and conduct the defense at Buyer's sole discretion. In such an event, Seller shall be released from any obligation to pay for attorneys' fees and court costs, but not settlement or damages, and any such release is expressly conditioned on Seller's complete cooperation with Buyer in Buyer's defense of such Claim. Buyer shall not enter into any settlement without Seller's prior written consent, which shall not be unreasonably withheld.

e) If the manufacture, use, sale, offer for sale, import, export or other exploitation of any Goods or Services is enjoined by a court, or if delivery is precluded by a government entity, or should Seller refuse to provide or supply Goods or Services to avoid a potential third party claim, Seller shall avoid any disruption to Buyer and shall (i) secure for Buyer the right to use or sell such Goods or Services; (ii) modify or replace such Goods with equivalent non-infringing Goods or Services; or (iii) provide such other solution acceptable to Buyer. Seller shall reimburse Buyer for Buyer's costs incurred in obtaining all internal, external and Buyer Customer

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12. **Proprietary Information**

a) In order to deliver the most effective and efficient Goods and Services possible and meet Buyer's requirements for those Goods and/or Services, Buyer and Seller anticipate the need to exchange Proprietary Information (as defined below) for the design, development, testing, manufacture and/or repair of Goods and/or Services, as applicable in connection with such Order and/or the Contract. In recognition of the value of that Proprietary Information, as well as to protect Buyer's goodwill and reputation in its products, Seller agrees to the terms and conditions of this Section 12.

b) "Proprietary Information" shall mean all information, knowledge or data (including without limitation financial, business, and product strategy information; product specifications; product designs; procedures; studies; tests; and reports) in written, electronic, tangible, oral, visual or other form, (i) disclosed by, or obtained from, Buyer or (ii) conceived, created, acquired, or first reduced to practice in connection with the Order. If Buyer furnishes sample products, equipment, or other objects or material to Seller, the items so received shall be used and the information obtained from said items shall be treated as if they were Proprietary Information disclosed in connection with the Order.

c) Unless the Seller has received the Buyer's express written consent to the contrary, Seller shall (i) use the Proprietary Information solely for the purposes of the Order, and not for any other purpose (including, without limitation, designing, manufacturing, selling, servicing or repairing equipment for entities other than Buyer; providing services to entities other than Buyer; or obtaining any government or third party approvals to do any of the foregoing); (ii) safeguard the Proprietary Information to prevent its disclosure to or use by third parties; (iii) not disclose the Proprietary Information to any third party; and (iv) not reverse engineer, disassemble, or decompile the Proprietary Information.

d) Seller may disclose the Proprietary Information to employees, officers, directors, labor personnel of Seller who have a need to know such Proprietary Information for the purposes of performing the Order and who have executed a written agreement with the Seller obligating such entity or person to treat such information in a manner consistent with the terms of this Section.

e) The Order shall not restrict Seller from using or disclosing any information that, as proven by written contemporaneous records kept in the ordinary course of business: (i) is or may hereafter be in the public domain through no improper act or omission of the Seller or a third party; (ii) is received by Seller without restriction as to disclosure by Seller from a third party having a right to disclose it; (iii) was known to Seller on a non-confidential basis prior to the disclosure by the Buyer; or (iv) was independently developed by employees of Seller who did not have access to any of Buyer's Proprietary Information.

f) If Proprietary Information is required to be disclosed pursuant to judicial process, Seller shall promptly provide notice of such process to Buyer and, upon request, shall fully cooperate with Buyer in seeking a protective order or otherwise contesting such a disclosure. Disclosure of such requested Proprietary Information shall not be deemed a breach of the Order provided that the obligations of this Section are fulfilled by Seller.

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m) Seller acknowledges that exposure to Buyer's Proprietary Information and other Intellectual Property will make it easier for Seller to manufacture or repair, or to apply for or assist another entity in obtaining FAA or other government approval for, Goods that are the same Goods or that have the same form, fit and function, as Goods Seller supplies to Buyer pursuant to an Order hereunder. Seller also acknowledges that

third parties. Goods not provided to Buyer shall be disposed of in a manner that prevents disclosure of Proprietary Information (including by reverse engineering).

p) For Proprietary Information exchanged in connection with the Order, the terms of this Section shall supersede any provisions regarding the protection of Proprietary Information in any other agreement between the Parties.

13. Security for BUYER Information Stored by Seller

a) Buyer wishes to ensure that Seller has effective information security to ensure the secure storage and/or processing of Buyer Information (as defined below) at Seller's facility and to facilitate the exchange of information between Buyer and Seller. As used in this provision, "Buyer Information" means (i) Proprietary Information owned by Buyer or a Buyer Affiliate (each such entity, a "Buyer Entity"); (ii) information managed by Buyer or a Buyer Entity; (iii) information that Buyer or a Buyer Entity is obligated to manage and protect on behalf of others; and (iv) personally-identifiable information relating to an identified or identifiable employee of Buyer or a Buyer Entity or others that is protected by various privacy laws (current or future) as applicable throughout the world including, without limitation, Social Security Number, address, telephone number, gender, birth date, medical records, trade union membership, driver's license number,

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reasonable efforts, as measured by the available technology at the time, to prevent anyone other than its authorized employees from accessing the Buyer Information.

4) Assure that all Buyer Information and applicable software is appropriately backed up and recoverable in the event of a disaster.

5) Encryption Requirements. The following requirements apply when Seller has possession of Buyer Information. Encryption algorithms used must be of sufficient strength to equate to 128-bit RC-4 or better. All cryptography technologies used must be published and approved by the general cryptographic community.

      A. Encrypt all Buyer**[**-)]TJ

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this Contract and be free from defects in design, material, and workmanship. This warranty shall begin upon final acceptance and extend for a period of two (2) years, ("Warranty Period"). If any nonconforming Goods is identified within the Warranty Period, Seller, at Buyer's option, shall promptly repair, replace, or re-perform the Goods. Transportation of replacement Goods, return of nonconforming Goods, and reperformance of Goods shall be at Seller's expense. If repair, or replacement, or reperformance of Goods is not timely, Buyer may elect to return, reperform, repair, replace, or reprocure the non-conforming Goods at Seller's expense. All warranties shall run to Buyer and its customers.

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