

SIKORSKY AIRCRAFT CORPORATION

**STANDARD TERMS AND CONDITIONS OF PURCHASE
("SA 0908")**

Rev. November 1, 2015

Section Headings

SECTION IA: TERMS AND CONDITIONS OF PURCHASE

SECTION IB: SIKORSKY SPECIFIC REQUIREMENTS

SECTION II: QUALITY ASSURANCE PROVISIONS

SECTION IA-STANDARD TERMS AND CONDITIONS OF PURCHASE

1. Acceptance

Supplier's (i) full or partial performance under, or indication thereof, or (ii) acknowledgement of the Order, is acceptance of the Order and all terms and conditions contained in the Order, including these Terms and Conditions. Any terms and conditions

Supplier that add to, vary from, or conflict with the terms herein are hereby rejected. If the Order is an acceptance of a prior offer by Supplier, such acceptance is limited to the express terms set forth in the Order.

2. Definitions

2.1

controls, is owned by, controlled by or under common ownership or control with such entity.

2.2

or other agreement that references these terms and conditions, and pursuant to which Orders are issued to Supplier.

2.3

Buyer
BUYER

Sikorsky Aircraft

SA

2.10 Lead the mutually agreed upon time required for Supplier to produce the Goods.

2.11 after, the Delivery Date.

2.12 Party collectively, as the context requires.

2.13 Prime Buyer and Buyer Customer.

2.14 Order provided for in an Agreement, an entry on a Buyer web site, to initiate the ordering of Goods or Services, such as a purchase order, a scheduling agreement, or other authorization or Order, and including change notices, supplements or modifications h the Order the Order, performance in anticipation of the Order, and preparation of a bid or proposal for the Order. Where the context permits, the term Order includes Agreement.

2.15 delivery of Goods, including design, engineering Goods1(,)-4()-91(as)JETQq0.00000912 0 6

established by the Buyer Systems, and shall make use of the bar codes and other documentation generated by the Delivery System.

- 4.3 deliver Goods and perform Services by the Delivery Date.
- 4.4 Shipment shall be to the location directed by Buyer. Invoicing, delivery terms, shipping, packing and waste reduction instructions shall be provided to Supplier through an attachment to, or printing on the face of, the Order, or incorporated into the Order by reference to a web site. In the absence of such instructions, the
10). Title and
facility or third party
drop shipment point.
- 4.5 Delivery Dates which do not allow sufficient Lead Time shall be considered Need Dates and Supplier shall use all commercially reasonable efforts to meet Need Dates. If Supplier agrees to the Need Date, the Need Date shall be considered the Delivery Date.
- 4.6 If Supplier 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 Date and accept Goods on the Delivery Date. In addition to any other rights and remedies that Buyer may have, any of the requirements under this Section or any other delivery obligation, Supplier shall be responsible for all shipping costs and expenses incurred with respect to such nonconformance, including the costs of expediting shipment with respect to late deliveries.
- 4.7 Any forecasts of quantity and schedule that are set forth in the Delivery System are estimates and are for planning purposes only.
- 4.8 Without affecting any other rights of Buyer, Buyer may cancel Orders, in whole or in part, without liability to Supplier, at any time prior to commencement of Lead Time.

5. Inspection, Acceptance and Rejection

- 5.1 Supplier shall only tender Goods to Buyer that have passed inspection in accordance with the applicable inspection system and that otherwise conform to all requirements of an Order.
- 5.2 Notwithstanding (i) prior inspection of, (ii) payment for, (iii) use of or (iv) delivery of the Goods, acceptance shall not be deemed to occur until thirty (30) days following
not
constitute acceptance.
- 5.3 During the Inspection Period, Buyer may, with respect to any Goods

- reduction for the cost of repair or the diminution of value; or (iii) accept any conforming Goods and reject the rest.
- 5.4 Supplier shall investigate the nonconformity, deliver to Buyer a written report of its investigation and conclusions, and formulate a corrective action plan acceptable to Buyer. Once approved by Buyer, Supplier must then timely implement such corrective action plan.
- 5.5 With respect to rejected nonconforming Goods, Buyer may at its election and at (Ex Works, Incoterms 2010, facility where Goods are rejected) nonconforming Goods option, either (a) full credit or refund or (b) replacement Goods to be received within 24 hours of nonconformity notification. Title to such rejected Goods returned to Supplier shall transfer to Supplier upon such delivery and such Goods shall not be replaced by Supplier except upon written instructions from Buyer.
and risk of loss. Additionally, rejected nonconforming Goods shall not be tendered again to Buyer for acceptance unless permitted by Buyer and applicable law, and
- 5.6 Notwithstanding any other provision, in addition to the foregoing, Supplier shall 450048360051

to Buyer hereunder shall be shipped accompanied by notice stating whether they are new replacements or repaired originals, and shall continue to be covered under this warranty. Supplier shall conduct intake, review, analysis and any other activity required to evaluate whether the returned Goods are covered by the Warranty at no expense to Buyer. Repaired original Goods shall be covered under this Warranty for the greater of six (6) months or for the balance of the original Term. The balance of the original Term shall be notification of the defect.

- 6.3 Notwithstanding any other provision, in addition to the foregoing, Supplier shall be liable for actual costs, expenses and damages related to or arising from Goods not conforming to the warranty, including but not limited to labor and other

and all sales and use taxes, value added taxes, goods and services taxes, taxes

Agreement, accruing prior to and after the commencement of the Order or Agreement.

- 8.10 Supplier shall, upon receipt from any Tax Authority of any levy, notice, assessment, or withholding of any Taxes for which Buyer may be obligated, notify Buyer in writing directed to: Manager, Tax Compliance, Sikorsky Aircraft Corporation, 6900 Main Street, Stratford, CT 06615
- 8.11 Supplier shall cooperate in the equitable resolution of disputes pertaining to any Taxes arising from this Order or Agreement. If Buyer may directly contest any Taxes in its own name, then it may do so and, to the extent permitted by law, withhold payment during contest pendency. If Buyer is not so permitted, Supplier shall in good faith, as requested by Buyer, contest the Taxes. Supplier shall supply Buyer with information and documents as Buyer may reasonably request for Buyer to control or participate in any proceeding to the extent permitted herein.
- 8.12 If Supplier receives a refund of any Taxes attributable to Buyer; Supplier shall pay such amount to Buyer within thirty (30) days of receipt. Supplier shall indemnify Buyer against any and all losses, costs, and expenses (including reasonable attorney's fees) incurred by Buyer in connection with the Supplier section.

9. **Inspection and Audit Rights**

- 9.1 Supplier, its subcontractors and business partners) shall at any time, and after reasonable notice, provide Buyer with unrestricted access to (or if requested by Buyer, provide to Buyer copies of) all records, documents, and documentation (including, without limitation, inspection those pertaining to quality, and testing of Goods and Services, security and data protection procedures, ethics and compliance programs and any other requirement or obligation under the Order), but excluding financial books and records), wherever such books and records may be located (including third-party repositories) used in connection with the Order) Customers and/or any such authority the right to access, and to perform any type of inspection, testing, audit, or investigation without limitation, manufacturing and test locations of subcontractors and business partners used in connection with the Order for the purpose of enabling Buyer to verify compliance with the requirements set forth in the Order and Goods and Services thereunder. Supplier and its suppliers, subcontractors and business partners shall provide such authority to furnish all reasonable facilities for and assistance with the safe performance of, . Inspections, tests, audits and/or investigations in connection with any Order and Goods and Services thereunder.
- 9.2 Supplier shall maintain complete inspection records for all Goods which shall be available to Buyer during performance of an Order and until the later of: (i) four (4)

12. Buyer-Furnished and Buyer-Funded Items

12.1 All material, including information, required to be furnished to Supplier under the

have no liability to Supplier for any delays or failures in the delivery of Buyer
Furnished Items. If Buyer Furnished Items are not delivered to Supplier in sufficient
time to enable Supplier to meet Delivery Dates, Supplier may notify Buyer of the
delay and shall be entitled to an extension of such schedule equal to the period of
the delay. and exclusive remedy.

12.2

- 13.6 Buyer shall have absolute discretion in determining the classification of the Goods, and Buyer may reject any changed Goods which fail to comply with the applicable Change procedures.

14. Stop Work Order

- 14.1 Buyer may, from time to time, require Supplier to stop all or any portion of the work called for by the Order for a period of up to 120 days ("Stop Work Period") at each such time. Upon receipt of written notice detailing the length and scope of the Stop Work Period, Supplier shall immediately comply with its terms at no charge. Within the Stop Work Period, Buyer shall either: (i) cancel the stop-work order and Supplier shall resume work; or (ii) terminate the work covered by the stop-work order, for default or convenience, as the context requires, in accordance with the provisions of the Order.

15. Termination for Default

- 15.1 Buyer may, by written notice, terminate the Order (which, for the avoidance of doubt, includes the Agreement) or any portion thereof, for default without any liability or

equipment and other Intellectual Property, including without limitations proprietary and manufacturing information to enable Buyer to make, have made, use, sell and license the Goods, subject to the following restriction. Buyer hereby agrees not to exercise such rights under this Additional License except in the event Supplier (i)

Applicability: This provision is applicable to Orders in which Goods will be shipped into the United States.

- 17.1 Supplier agrees that, during the period in which it ships Goods to Buyer, it and its subcontractors who either ship directly or package Goods for shipment will either (i) -
program by the U.S. Bureau of Customs and Border Protection or (ii) demonstrate to -

assign

20.3

Supplier 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.

20.4

Supplier may disclose the Proprietary Information to employees, officers, directors, labor personnel of Supplier who have a need to know such Proprietary Information for the purposes of performing the Order and who have executed a written

This document contains the property of Sikorsky Aircraft Corporation and/or its Affiliate. You may not possess, use, copy or disclose this document or any information in it for any purpose, including without limitation to design, manufacture, or repair Goods, or obtain FAA, Transport Canada Civil Aviation (TCCA) or other government approval to do so, without express written permission. Neither receipt, from any source, nor possession of this document, constitutes such permission. Possession, use, copying or disclosure by anyone without express written permission of Sikorsky Aircraft Corporation and/or its Affiliate issuing the Order is not authorized and may result in criminal and/or civil liability.

- 20.11 Notwithstanding any proprietary or confidential labels or markings, all information of Supplier disclosed to Buyer relating to the Order will be deemed non-confidential and the content of the Order may be disclosed by Buyer to Affiliates

may order. Supplier shall not make accessible or sell completed or partially completed or defective Goods manufactured using or containing Proprietary Information to any unauthorized third parties. Goods not provided to Buyer shall be disposed of in a manner that prevents disclosure of Proprietary Information (including

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, financial account number, credit or debit card number (all subsection (iv)) defined as "PII").

21.2 Supplier agrees to install and implement security hardware, software, procedures and policies that will provide reasonable and effective information security. Supplier agrees to update such hardware, software, procedures and policies as may be needed from time to time to utilize improved technology and to respond to more sophisticated security threats in order to maintain a level of security protection appropriate for the information involved and the current state of security solutions.

21.3 Supplier further agrees to:

21.3.1 Provide to Buyer a copy of its current information security policy, including its policy regarding physical security for access to devices that may access BUYER Information. Supplier shall annually provide Buyer with its then current policy and indicate any plans, including a timetable for implementation, of planned upgrades to comply with the policy. Supplier shall implement those reasonable requests for modification of such policy requested by Buyer.

21.3.2 Allow Buyer or its designee at any time to conduct (or have conducted) a remote network audit. If the BUYER Information is stored in a shared environment per the agreement of Buyer, then Buyer shall use a third party to conduct such audits. The audits shall include any facilities with BUYER Information including backup storage facilities.

21.3.3 Segregate all BUYER Information into a separate database only accessible by Buyer, its agents and those employees of Supplier necessary to maintain the equipment and the program on which it runs, unless otherwise agreed by Buyer. Logical segregation of data, if approved by Buyer, may be an acceptable alternative to this requirement. Except for Buyer and its agents, Supplier shall use reasonable efforts, as measured by the available technology at the time, to prevent anyone other than its authorized employees from accessing the BUYER Information.

21.3.4 Assure that all BUYER Information and applicable software is appropriately backed up and recoverable in the event of a disaster.

21.3.5

- 21.3.5.3 Encrypt all BUYER Information stored on Supplier mobile computing devices (e.g. laptop computers, PDAs (personal digital assistants), etc.)
- 21.3.6 Not to store PII on any Supplier mobile computing devices (e.g. laptop computers, PDAs (personal digital assistants), etc.)
- 21.3.7 Conduct appropriate background checks on all non-Buyer personnel who will have access to the environment and/or BUYER Information and approve those personnel based on the results of those checks. Supplier must disclose to Buyer the procedures used for those employees having access to the BUYER Information.
- 21.3.8 Provide Buyer at the time of signing the Agreement with a termination plan that addresses how BUYER Information will be returned to Buyer at the termination or expiration of the Agreement, including backup and archival information, and how all BUYER Information will be permanently removed from Supplier's equipment and facilities. This plan should include supplying the data to Buyer in an industry recognized non-proprietary database and, if not, a free-of-charge license to use the proprietary data base software to access the data.

- 21.6 The foregoing provisions do not otherwise diminish or limit Supplier's obligations regarding the receipt, use, protection and/or disclosure of Buyer Proprietary Information otherwise set forth hereunder.

22. Offset

- 22.1 Buyer may use all or any part of the value of the Order, including the value of any subcontracts placed by the Supplier0 G[0 612 792 reW*n1pTf1 0 0 1 1265v)11(al).02 622.42 Tm0 C

maintain Aircraft Product Liability, Completed Operations Liability and, if applicable to the Goods or Services, Hangerkeepers Liability Insurance coverage in a minimum amount of Combined Single Limit of \$50,000,000 for any one occurrence and in the aggregate where applicable, including AV52 coverage (War Risks Insurance). Such insurance shall remain in effect for two (2) years after the expiration or termination of the Order.

23.3

with the requirements set forth herein. Supplier shall furnish a copy of Disaster Recovery Plan to Buyer upon request.

25. Standards of Business Conduct

25.1 Supplier shall adopt and comply with a code of conduct or policy statement regarding business conduct, ethics and compliance that satisfies, at a minimum, the principles and expectations set forth in the United Technologies Corporation Supplier Code of Conduct available at the BUYER Supplier Site (<http://www.Buyer.com/Suppliers/Pages/Supplier-Code-of-Conduct.aspx>)

management systems, tools and processes in place that (a) ensure compliance with applicable laws and regulations and the requirements set forth in the Supplier Code of Conduct; (b) promote an awareness of and commitment to ethical business practices, including, without limitation, the expectations set forth in the Supplier Code of Conduct; (c) facilitate the timely discovery, investigation (including cooperation with any Buyer initiated investigation involving Supplier), disclosure (to Buyer and others as appropriate) and implementation of corrective actions for violations of law, regulations, this Agreement, an Order, or the expectations set forth in the Supplier Code of Conduct; and (d) provide training to its employees on compliance requirements, including the expectations set forth in the Supplier Code of Conduct.

comply with a technology control (that Supplier and its subcontractors comply with the terms of the Agreement (including

26. Compliance with Laws

26.1 Supplier shall comply with all applicable national, state, provincial, and local laws, ordinances, rules, and regulations applicable to the performance of the Order, except to the extent inconsistent with US anti-boycott laws, including (i) the manufacture or provisioning of Goods, (ii) the shipping of Goods and (iii) the configuration or content of Goods for the use intended by Buyer.

26.2 Supplier shall, at the earliest practicable time, notify Buyer in writing if Supplier is (i) suspended, debarred, or proposed for suspension or debarment from doing business with the U.S. Government, or (ii) listed or is proposed to be listed by the U.S.

purp

constitute for the Buyer to terminate the Order under the Section entitled Termination for Default.

26.3 Supplier shall, at the earliest practicable time, notify Buyer in writing if Supplier is

- 28.1 Supplier shall comply with the most current export control and sanctions laws, regulations, and orders applicable at the time of the export, re-export, transfer, disclosure or provision of Goods, Software, Technology or Services including, the Bureau of Industry and Security, U.S. Department of Commerce, 15 C.F.R. parts 730- Directorate of Defense Trade Controls, U.S. Department of State, 22 C.F.R. parts 120-

compliance with this Section and all Export Control Law. Supplier shall also promptly notify Buyer if it becomes aware of any failure by Sup612 792 reW*nBT/F2 11.04 Tf1 0 C

38. Change in Control

Prior to a potential change of control of Supplier and at least ninety (90) days prior to the proposed effectiveness of such change of control, Supplier will promptly notify Buyer in writing thereof, and provide the identity of the potential new controlling party and information on such party and the transaction as Buyer may request, consistent with applicable law and confidentiality restrictions. In the event there is a change in control with respect to Supplier or in the event that Buyer's competitor acquires an interest in Supplier, Buyer shall have the right to terminate the Order in whole or in part upon thirty (30) days written notice with Buyer's only obligation to pay for those conforming Goods and Services actually received prior to the expiry of such thirty (30) day period. A change in control of Supplier is deemed to have occurred if there is a change in the beneficial ownership, directly or indirectly, of twenty-five percent (25%) or more of the ownership interests in Supplier.

39.

for, all aspects of proper performance of the Order, regardless of (i) any subcontracting, ~~or~~ ^{or} for provisions in the relevant subcontracts that comply in substance with the requirements set forth herein.

47. Dispute Resolution

- 47.1 Except as provided below, prior to a Party initiating a formal legal proceeding relating to a dispute under an Order, that Party must provide the other with a written request for dispute resolution. Each Party shall, within five (5) calendar days after such

SECTION I

number, and order number if applicable. (x) The applicable North American Industry Classification System code (NAICS).

50.4.2 By the end of the month in which the subcontract award occurs, and annually thereafter: (i) Name of each of the five most highly compensated executives for

Obsolescence Management Program shall remedy all obsolescence issues arising for the Goods. Supplier shall perform all testing, qualification, non-recurring activities, and engineering services required for maintaining an Obsolescence Management Program. In no event shall remedying an obsolescence issue: (i) entitle Supplier to a price increase, (ii) entitle Supplier to make a claim for equitable adjustment, or (ii) waive, relieve or release Supplier from fulfilling all its duties under the Order including, without limitation, compliance with Specifications and Delivery Dates.

60. Customs/Import Requirements

60.1

to Supplier.

60.2

free or preferential duty treatment under international agreements, multi-lateral or bilateral free trade agreements, or other preferential tariff programs (e.g., Generalized System of Preferences, North American Free Trade Agreement (NAFTA), U.S. Singapore Free Trade Agreements, U.S. Goods Returned, etc.).

60.3 Supplier shall maintain and make available to Buyer all records supporting any certificates of origin, declarations, and/or affidavits provided to Buyer as support for

on which the aforementioned document(s) were provided.

60.4 Buyer shall have the right, on reasonable notice, to inspect and audit all records relating to the documents set forth in paragraphs 60.2 and 60.3, including documents establishing the value of all direct and indirect materials and costs used in the production of imported Goods. Where Supplier provides a written objection within

to such records to a third party consultant designated bgg0 Go5(g)-81 (NAFTA), U.S.

this Order, shall be all-inclusive and presented to Buyer upon presentation of the Goods

2.) Supplier shall maintain supporting evidence and documentation related to Goods for the period required by the Aerospace retention requirement 40/10/8/4. The supporting evidence and documentation shall be made available to Buyer for inspection upon Buyer's request.

3.) Following compliance with the requirements listed on the applicable Specifications for each Order, including chemical, physical, and other related requirements. The Certificate shall be signed by an authorized representative of Supplier. For Goods or other items undergoing inspection physical and other requirements, and passage of any applicable tests listed on the applicable Specifications for each Order. The Certificate shall be retained on file at Paragraph 2 above. The Certificate shall be made available to Buyer for inspection accompanying each shipment.

4.) If Supplier is manufacturing Goods for which Supplier 9.82 TmplSy .idoq pl b(ab)3(l)4(h)-143y()-2

- a.) orders with subcontractors for subcomponents of Goods shall indicate that the Goods are being supplied to Buyer and that the Subcomponents are Flight Safety Parts. purchase order shall also identify all applicable documents drawings and/or Specifications, including revisions levels. Specifications and revision levels shall be obtained from the material and process index, the date of which is noted in SSQS. Certifications for all processes from subcontractors shall also indicate Goods are for Buyer and that the Subcomponents are Flight Safety Parts.
- b.) Goods designated as Flight Safety in accordance with SS9211, Flight Safety Parts source approval, contain characteristics and or processes classified as critical. The performance of any critical operation or process shall be specifically authorized by Buyer as evidenced by approved frozen(ed)3() as evidenced 112(t)-4(o)13(0000912 0 612 792 reW*nBT/

- a.) If Goods are work in process, a process is contracted for, or there is a cost impact on purchasing Department representative, which notice shall specify the affected process and an estimate of the cost impact, and may request an adjustment in the cost; or
- b.) If Goods are not affected by the circumstances set forth in paragraph (a) immediately above, proceed in accordance with the superseding edition of the Approved Source List.
- c.) Supplier shall maintain an original or Certified True Copy of the Special Process

Supplier for the Goods. Supplier or manufacturer of the goods shall maintain all Certifications on file in accordance with the record retention requirements set forth in Paragraph 2 above, and shall submit copies to Buyer upon request. The Certification shall state that Buyer's inspection is to be conducted at Supplier's facility. Supplier shall

means a complete copy (front and back) of the original including all terms, signature, and dates, to which is attached a signed statement that the copy has been compared with the original and that it is a true copy. The copy must be legible, reproducible, and printed on paper permanent in nature.

- 15.) RESERVED
- 16.) RESERVED
- 17.) RESERVED
- 18.) RESERVED
- 19.) RESERVED
- 20.)

ATP. The ATP Certificate shall also list the applicable Part Number of the Good(s), and the applicable ATP Number and the revision thereto. The original of the ATP Certificate shall be maintained at the

the performance of a first article inspection/qualification testing (duty(ies), and obligation to perform a duty at its own expense, under this Paragraph shall

- 7.2. Storage of Wire shall be in a controlled environment, which is defined as a temperature not to exceed 84 degrees Fahrenheit and humidity not to exceed 70%.
- 7.3. Packaging for Wire shall be as follows:
 - 7.3.1. AWG sizes 10 and smaller
 - 7.3.1.1. Cut and splice all lengths together (i.e., WECO splice)
 - 7.3.1.2. Seal unplaced ends with heat-shrinkable end caps
 - 7.3.1.3. Use plastic spools only
 - 7.3.1.4. Bag each spool in clear plastic with desiccant, then individually box
 - 7.3.1.5.

