

• **UTC Terms and Conditions**

UTAS Intelligence, Surveillance and Reconnaissance (ISR) Systems Addendum

This is an Addendum (the “Addendum”) to the United Technologies Corporation, General Terms and Conditions of Purchase (the “UTC Terms”). The Addenda shown below either supplement or supersede, the UTC Terms as indicated.

The Addenda cover the following United Technologies Aerospace Systems (UTAS) ISR business units (BU):

ISR Systems, Danbury, CT	100 Wooster Rd, Danbury CT, 06810
ISR Systems, Westford, MA	7 Technology Park Dr., Westford, MA. 01886
ISR Systems, Princeton, NJ	3490 Route 1, Building 12, Princeton, NJ. 08540
ISR Systems Albuquerque, NM	6600 Gulton NE Ct, Albuquerque, NM
ISR Systems Hood River, OR	202 N Wasco Loop, Ste. 102. Hood River, OR 97031

- Notwithstanding anything to the contrary in the UTC Terms, and until such time as the applicable Buyer provides written notice to the Supplier that such Buyer has adopted the UTC policy and procedure “ASQR-01,” all references to ASQR-01 in the UTC Terms are hereby superseded by the following, as applicable:

Site	Standard
Goodrich Corporation ISR Systems	AS9100 Rev C
Sensors Unlimited, Inc.	AS9100 Rev C
Cloud Cap Technology, Inc.	AS9100 Rev C

- Section 4, Delivery, of the UTC Terms, is hereby amended to add the following new Section 4.9:

4.9 Supplier shall comply with the following: packing sheets must accompany each shipment and must contain the following: (1) Buyer Order Number; (2) Order Item Number; (3) Premium Freight Authorization Number; (4) Freight Carrier; (5) Buyer Part Number; (6) Packing Slip Number; (7) Quantity Shipped; (8) Unit of Measure; (9) Number of Containers and (10) Serial Numbers if applicable. If the shipment is made in more than one container, only the first container requires the packing sheet and bar coded label. Each container must be identified on the outside in ascending number order; i.e. (Box 1 of 2; Box 2 of 2, etc.). Order number must be shown on all invoices, bills of lading, and correspondence. All shipments on a given calendar day to the same destination must be tendered on one bill of lading.

- Section 4, Delivery, of the UTC Terms, is hereby amended to add the following new Section 4.10:

4.10 If Supplier prepays authorized transportation charges, a copy of the carrier's bill or other evidence will be required by Buyer prior to any reimbursement to Supplier. When carrier rates are based on released valuation of items shipped, Supplier shall declare the lowest released valuation to obtain the lowest possible tariff rate. Excess tariff charges resulting from insurance or increased valuation will be charged back to Supplier. Each carrier's bill shall state the Order number. Supplier shall contact Buyer's traffic department for any routing instructions and assistance.

- Section 22, Offset, of the UTC Terms, is hereby amended to add the following new Section 22.4:

22.4 For all subcontractors outside of France, People's Republic of China, Japan and the United States selected for work under the Order, Supplier shall notify Buyer of the name, address, sub-contract point of contact (including telephone number) and dollar value of the subcontract.

- Section 24, Disaster Recovery, of the UTC Terms, is hereby amended and superseded as follows:

Supplier shall develop and maintain a Disaster Recovery Plan acceptable to Buyer for the recovery and continuation of business related to the design, development, certification, manufacture, sale, use and/or support of the Goods furnished hereunder, in the event of a disaster or emergency. The Disaster Recovery Plan shall, among other things, prevent or limit the interruption of the supply of Goods in conformity with the requirements set forth herein. Supplier shall furnish a copy of its Disaster Recovery Plan to Buyer upon request.

- Section 29, Toxic, Hazardous or Carcinogenic Substances, of the UTC Terms, is hereby amended to add the following new Section 29.4:

29.4 In addition to the foregoing, Supplier shall provide a completed Material Safety Data Sheet for each material, which contains hazardous substances as illustrated by OSHA 29CFR1910.1200 or in California by Cal/OSHA General Industrial Safety Order 5194 and information on product composition and/or safety as required by applicable regulation of any country. Supplier agrees that Goods shall meet the requirements of Buyer's Document GRMA-003-SPEC

Control of Substances in Goods from Goodrich Supply Chain and GRMA-002-SPEC Declarable Substances List that are available at <http://www.goodrich.com/Goodrich/Enterprise/Suppliers/SBU-Supplier-Links/Supplier-General-Specifications>. Buyer will restrict its use of Supplier's proprietary ingredient information received hereunder to use by Buyer's Medical, Industrial Hygiene, and Environmental Control Departments for the protection of the employees, except where disclosure is required by law. No component, equipment, machinery, building maintenance items, or production parts shall be made out of or contain asbestos in any of its mineral forms. Supplier's signature agreement or performance under this Agreement shall be construed as certification by Supplier of conformance to all the requirements of this Section. Supplier agrees to follow Buyer's directives, if any, which may be attached to and made part of this Agreement. Supplier shall indemnify Buyer for all loss, claims, penalties, fines, damage, settlement and all reasonable associated expenses arising out of its non-compliance of any applicable laws and regulations in connection with its performance hereof.

7. The URL listed in Section 48, U.S. Government Provisions for Orders Under U.S. Government Contracts, of the UTC Terms is superseded by the following URL:

<http://www.goodrich.com/Goodrich/Enterprise/Suppliers/SBU-Supplier-Links/Supplier-General-Specifications>

8. Unless Supplier has received either a specific route letter from Buyer covering shipments from Supplier's location (unless Supplier is responsible for shipping costs) or such other routing information via the Buyer's Delivery System, the following general routing provisions apply:
- (a) 1-100 lbs. ship via FedEx Ground COLLECT or UPS Ground Collect. Contact Buyer Traffic for account numbers. Contact FedEx Ground or UPS for shipping supplies.
 - (b) Over 101 lbs. ship as stated on Order.
 - (c) Collect premium freight shipments require a premium Freight Authorization Number (PREFAR) which would be assigned by either the Buyer or the Traffic Department. Suppliers must show the PREFAR Number and Buyer Purchase Order Number in the Shipper's Reference Block of the air waybill. Contact the Buyer Traffic Dept. for routing assistance on any oversize piece including air shipments with either length exceeding 121", width exceeding 84", or height exceeding 74", and or weight exceeding 5,000 lbs.
9. Notwithstanding anything to the contrary in the UTC Terms, and except as otherwise notified to Supplier from the applicable Buyer, or as made available via the Buyer's Delivery System, the following instructions for invoices apply:
- (a) Invoices in triplicate shall be forwarded to Accounts Payable Department, unless Buyer and Supplier are exchanging invoices electronically.
 - (b) Taxes to be paid by Buyer, if any, must be itemized and separately stated as to type of tax (such as State Sales Tax, etc.).
 - (c) Supplier shall ensure that the following information is indicated on all commercial invoices submitted to Buyer for Goods shipments to the United States. All invoices shall be in English or shall have attached an accurate English translation to allow examination of the Goods and determination of duties.
 - 1. Goods Part Number.
 - 2. Detailed description of the Goods.
 - 3. Packing List.
 - 4. Value of the Goods (for Goods returned after repair, provide both the original value and the value of the repair).
 - 5. Currency of Sale (U.S. Dollars).
 - 6. Time and Date of Sale.
 - 7. Inco Terms.
 - 8. Country of Origin. Supplier to determine country of origin of all Goods in accordance with the laws of the destination country, in addition to marking and packaging the Goods in accordance with the laws of the destination country. The country of origin must be identified by part number, or in the event that no part number is used, by other identifying number or symbol on the shipping invoice.
 - 9. Quantities and weight.
 - 10. Itemized Charges for Freight, Insurance and Packaging Costs.
 - 11. Rebates, royalties and Drawback included.
 - 12. Any Secondary Production Fees, Costs and Assists where Dutiable.
 - 13. US Export and/or Import License Information when required.
 - 14. Harmonized Tariff information when available, if the Goods are for use on Commercial Aircraft and an FAA certificate (or its equivalent) is available, then a "C" should be placed in front of the HTS number.
 - (d) Supplier warrants that the price to be charged for the Goods/Services covered by any Order will not exceed prices charged others under comparable conditions. Supplier shall refund any excessive amount paid by Buyer.
 - (e) Payment of Supplier's invoice may be offset for (i) any damages resulting from breach of contract under any contract between Buyer and Supplier, (ii) any amount owing at any time from Supplier to Buyer, or (iii) any adjustment for shortage or rejection and any costs occasioned thereby.
 - (f) Except as otherwise provided in the Order, the price(s) set forth herein include all applicable taxes, impositions

and other similar charges.

(g) Payment terms are net ninety (90) days, payment due dates including discount periods, shall be computed from (1) the date of receipt of the Goods, (2) the date of receipt of a correct (proper) invoice, or (3) the scheduled delivery date, whichever is the later. Unless freight and other charges are itemized, any discount shall be taken on the full amount of the invoice. All payments are to be made in U.S. dollars only.

10. Unit Prices paid for the Goods shall include all charges for Supplier's packaging and crating.
11. Although Supplier is not expected to handle any classified Communications Security (COMSEC) equipment in connection with Supplier's performance of the Order, Supplier may be exposed to unclassified Controlled Cryptographic Items. As such, Buyer may request, and upon such request, Supplier shall comply with all Buyer requirements. Any questions shall be directed to the Facility's Security Officer.
12. From time to time Buyer may, notwithstanding the Delivery Date, request that Supplier temporarily store the Goods at Supplier's facility at no cost to Buyer. Upon such request, Supplier shall use its best efforts to comply with Buyer's request.
13. Supplier represents and warrants that any cost proposal for Orders equal to or greater than the requisite threshold for cost or pricing data submittal and not exempt from the submission of cost or pricing data under the Truth In Negotiations Act, has been and shall be prepared in accordance with the instructions set forth in FAR 15.408, Table 15-2, "Instructions for Submitting Cost/Price Proposals When Cost or Pricing Data Are Required." Supplier shall provide such cost and pricing data to Buyer or the cognizant DCAA Audit Office. Supplier shall provide to Buyer the name, address, phone, fax and e-mail of Supplier's cognizant DCAA Audit Office with the proposal.
14. **COUNTERFEIT PARTS.** If there is any question of whether an item is Counterfeit Part, the burden shall be on Supplier to demonstrate it is not a Counterfeit Part. A decision by Buyer's customer whether an item is a Counterfeit Part shall be final and binding on Supplier. Supplier shall be liable for all costs relating to the removal and replacement of such Counterfeit Parts, including direct and indirect special or consequential damages.