

**COLLINS AEROSPACE RCH ADDENDUM
TO UTC STANDARD TERMS AND CONDITIONS OF PURCHASE
DIRECT (PRODUCT)
FOR HERITAGE ROCKWELL COLLINS**

During the integration process and transition by Rockwell Collins, Inc. to UTC's standard procedures and systems following Rockwell Collins' acquisition by United Technologies Corporation (UTC) in November 2018, the UTC Standard Terms and Conditions require modification. The following changes supplement the UTC Standard Terms and Conditions of Purchase - Direct (Product) (the "UTC Terms") incorporated by reference into the applicable Purchase Order or Agreement for purchases by Rockwell Collins, Inc., a part of Collins Aerospace.

Applicability: These changes are only applicable to purchases by the Mission Systems and Avionics Strategic Business Units that were formerly part of Rockwell Collins, sometimes referred to as Heritage Rockwell Collins, HRC or RCH. It does not apply to purchases by other businesses within Missions Systems and Avionics that were formerly part of United Technologies Aerospace Systems, nor B/E Aerospace, Inc. or ARINC Incorporated.

1. The following definitions are added to Section 1, **Definitions** of the UTC Terms:

1.25 "Component" means an individual piece-part that is manufactured by Supplier or procured from Supplier's sub-tier suppliers and is an Item itself or is used to assemble, test and deliver Goods.

1.26 "Counterfeit Goods" means any Goods, or any component of a Good, produced, altered or otherwise misrepresented to resemble a Good, or any Component of a Good, without authority or right to do so, including any product that is produced or altered to result in Buyer being misled or defrauded through the presentation of such product to Buyer as original, new, genuine, or from a source other than the actual source of the Good.

2. The following text is inserted at the end of Section 3, **Specifications** of the UTC Terms:

Suppliers shall also comply with RC-9000, Supplier Quality System Requirements, at the Heritage Rockwell Collins Supplier Portal located at the following link:

<https://portal.rockwellcollins.com/web/suppliers>

3. The following subsection regarding quality requirements is added to the UTC Terms as new Subsection 5.7 under Section 5, **Inspection, Acceptance and Rejection**:

Seller shall maintain a quality level of zero defects on all Items delivered to Buyer. Furthermore, Collins Aerospace reserves the right to require any supplier to implement a Zero Defect Plan (ZDP), or an approved alternative methodology at no additional cost, to protect Buyer's Customer from receiving non-conforming material.

4. The following text is inserted at the end of Section 6.1 under Section 6, **Warranty** of the UTC Terms:

Supplier also represents and warrants to Buyer that Supplier has in place, and will maintain in place throughout the duration of this Agreement and any Agreement which references this Agreement, written policies and procedures which will adequately preclude, or detect and remove, Counterfeit Goods from any deliveries to Buyer. These policies shall include Supplier's oversight and auditing of Supplier's sub-tier suppliers. Supplier further represents and warrants that it will provide Buyer only with Goods and Components that have been sourced from the original Component manufacturer (OCM) or the OCM's authorized distributor, unless Buyer has previously authorized a different source in writing. Within ten (10) days after Supplier's receipt of a request from Buyer, Supplier shall provide Buyer with written documentation setting forth such policies, procedures, and authorizations

5. The following additional text is inserted at the end of Subsection 22.5 under Section 22, **Compliance with Laws** of the UTC Terms:

If Buyer suspects that any products furnished by Supplier may be Counterfeit Goods ("Suspect Counterfeit Goods"), Buyer shall notify Supplier of such suspicion. Within five (5) days after Buyer's notice, Supplier shall provide accurate and complete records regarding the sources and history of production and distribution of the Suspect Counterfeit Goods. If requested, Buyer will return up to three (3) Goods per date code to Supplier for investigation, after engraving the word "scrap" on the top and bottom or otherwise rendering them unusable, provided that Supplier immediately ships replacement Goods for all Suspect Counterfeit Goods. The Parties shall work together to determine whether such Goods are Counterfeit Goods and, if so determined, how the Counterfeit Goods are to be dispositioned. Supplier agrees that Buyer shall have no obligation to pay for any Counterfeit Goods. Supplier further agrees that it shall indemnify, defend, and hold harmless Buyer from and against any claims, actions, proceedings, judgments, penalties, fines, costs and/or other losses arising out of or in connection with any Counterfeit Goods furnished by Supplier.

6. The following subsection is added to the UTC Terms as new Subsection 31.3 under Section 31, **Subcontracting**:

Prior to Supplier's acquisition of any Goods, or Components for Goods, that will be included in any transaction between Supplier and Buyer, Supplier shall flow down requirements substantially similar to the requirements set forth in Section 6.1 and in Subsection 22.5 regarding Counterfeit Goods to all sub-tier suppliers, and shall be liable to Buyer for such entities' non-compliance with these requirements.

7. The following subsection is added to the UTC Terms as new Subsection 31.4 under Section 31, **Subcontracting**:

When subcontracting opportunities exist, Seller shall also comply with Federal Acquisition Regulation (FAR) 52.219-8, Utilization of Small Business Concerns, and FAR 52.219-9, Small Business Subcontracting Plan. If Seller is required to submit a plan, Seller shall submit its plan to supplierdiversityoffice@rockwellcollins.com and shall reference Buyer's prime contract number and DUNS Number 060605883 when submitting any required subcontracting reports using the Government's Electronic Subcontracting Reporting System at <http://www.esrs.gov>.