

I. General

1. These General Purchasing Terms and Conditions shall apply exclusively for the entire business relationship between ROCKWELL COLLINS DEUTSCHLAND GMBH (hereinafter "ROCKWELL COLLINS" or "Buyer") and each supplier, including future suppliers, unless otherwise expressly agreed in writing. Terms and conditions of Sale, or other general terms and conditions from the supplier, are hereby explicitly rejected, and shall not become valid. Uncontradicted acceptance of deliveries or services shall not imply acceptance of supplier's general terms and conditions.

2. Oral and telephone negotiations, release orders and transactions require a confirmation from ROCKWELL COLLINS in writing in order to be valid. A contract shall come into force only upon confirmation from ROCKWELL COLLINS in writing, or upon receipt of the countersigned and unchanged copy of the written order from ROCKWELL COLLINS within 10 (ten) working days after the date of order. Purchase Orders, Delivery Schedules including changes and amendments of the same can be sent electronically or by telecommunication or other machine readable data processing media in order to be valid. Changes and amendments must then be confirmed by recipient.

3. Offers from suppliers shall be submitted to ROCKWELL COLLINS free of charge, unless explicitly agreed otherwise.

II. Property Rights, Confidentiality, Subcontracts, Assignment of Claims

1. Documents or other means of production such as samples, illustrations, models, tools, technical guidelines or similar items made available to the supplier, or paid by ROCKWELL COLLINS, remain the property of ROCKWELL COLLINS and may be used only for offers or deliveries and services for ROCKWELL COLLINS. Documents or other means of production and the products manufactured by or according to those documents and means may not be duplicated. They may neither be made accessible to third parties nor used for the supplier's own purposes. They are to be kept confidential, and must be returned per registered mail/registered parcel without delay to ROCKWELL COLLINS in clean condition and without retaining copies, individual items or similar items, as soon as the order has been processed.

2. In addition, the supplier is obligated to maintain confidentiality regarding all trade and business secrets, manufacturing processes, work methods, know-how and other commercial and operational facts and information which relate to the companies of the ROCKWELL COLLINS Group, as well as their customers and contractual partners, and which become known to the supplier as a result of carrying out the order, as well as during the term of the business relationship. These facts may be disclosed to third parties only upon prior express approval in writing from the ROCKWELL COLLINS executive management. This confidentiality obligation shall remain valid after the order has been processed and the business relationship has been terminated.

3. To the extent that explicit approval from ROCKWELL COLLINS for the transfer to third parties exists, the supplier is required to impose the above obligations on the third party.

4. Allocation or assignment of ROCKWELL COLLINS' orders, as well as the use of subcontractors shall be permitted only upon our explicit written approval, which we will not be unreasonably withheld. In such case the supplier shall remain responsible for the fulfillment of the contract. The same shall also apply for the pledging of securities to third parties of accounts receivable resulting from our orders. Without prior written consent of ROCKWELL COLLINS the supplier is not permitted to assign all or part of his claims against ROCKWELL COLLINS or collect claims through third parties. In case of extended title retention approval of ROCKWELL COLLINS for transfer of title shall be assumed.

III. Prices, Packaging, Terms of Payment, Default in Payment, Set-Off

1. Unless otherwise explicitly agreed in writing, the stipulated prices are considered free to the receiving location specified by ROCKWELL COLLINS, and shall include freight, packaging and associated expenses. In the absence of an agreement to the contrary, ROCKWELL COLLINS accepts only the most favorable freight costs when accepting freight collect delivery.

2. To the extent that the price did not include packaging, the packaging charges shall be limited to net cost price. Reusable packaging such as boxes, containers etc. are to be returned by ROCKWELL COLLINS free of all charges to the supplier and are to be credited completely to the invoice price. Other packaging or filler material such as wood shavings, paper and so forth must not be charged. All packaging must be appropriate for the product and shall conform to the statutory packaging requirements.

3. Requests for the right to increase prices require written approval from ROCKWELL COLLINS to be valid.

4. Invoices are paid by ROCKWELL COLLINS either within 14 (fourteen) working days with the deduction of a 3% (three percent) discount, or within 30 (thirty) working days without deduction.

5. ROCKWELL COLLINS will only be able to process invoices, if the order number used by ROCKWELL COLLINS and the order date are provided. The statutory value added tax is to be shown separately. The supplier will provide ROCKWELL COLLINS with a separate invoice in duplicate for each order. In addition, the invoice must include information about the type of shipping and shipping location, country of origin for the ordered goods, as well as transportation and packaging expenses accrued, as the case may be. The supplier will be responsible for all consequences which arise, if these obligations are not fulfilled.

6. Payment and discount periods will start upon invoice receipt, but not prior to the receipt of the goods, or for services, not before their acceptance, and to the extent that documentation or similar documents are part of the scope of services, not prior to their delivery to ROCKWELL COLLINS according to the contract.

7. Payments can be made by means of check or bank transfer, whereby it is sufficient, if the check is sent by mail in time to arrive on the due date or the transfer was ordered at a banking institution in time to arrive on the due date.

8. Default in payment will not be constituted by the receipt of an invoice or other payment statement, but only by the receipt of the purchased good. The default interest rate amounts to 5 (five) percentage points over the prime rate.

9. ROCKWELL COLLINS shall have the right to withhold payments for warranty claims and use its rights to offset and to retain payments to the extent legally permitted. The supplier, however, shall only be entitled to an offset against ROCKWELL COLLINS, if its receivable is uncontested or determined to be legally binding. The supplier shall have the right to refuse performance or right of retention only, if his counterclaim is uncontested, determined to be legally binding, or ready for a decision.

IV. Delivery Deadlines, Scope of Delivery, Transfer of Risk, Place of Fulfillment, Penalty, Transportation Insurance

1. Agreed delivery dates and deadlines refer to the date of the receipt of goods, are binding and are - as a main contractual obligation of the supplier - to be exactly observed. ROCKWELL COLLINS shall be notified without delay regarding potential delivery delays.

2. If the stipulated delivery date has been culpably exceeded by supplier, the contractual penalty shall be 1% of the order value for each week or part thereof, with a maximum of 5% of the order value for a single order. This penalty shall come into effect, even if ROCKWELL COLLINS has not reserved this right in advance and regardless of the acceptance of late delivery.

ROCKWELL COLLINS shall also be entitled to the penalty maximum amount of 5% in the case of supplier's failure to perform. The assertion of additional claims due to default remains explicitly reserved.

3. Statutory claims which arise when default in delivery occurs cannot be precluded. The unconditional acceptance of delayed goods or services includes no waiver by ROCKWELL COLLINS to its rights and claims for compensation. Upon the unsuccessful expiration of a reasonable grace period established in case of default, ROCKWELL COLLINS can withdraw from the contract and demand compensation for damages due to breach of contract (failure to fulfill) in place of contract performance.

4. Delivery prior to the specified delivery date, as well as partial deliveries, is permitted only upon written approval from ROCKWELL COLLINS. Deliveries that exceed or fall short of the ordered amount are not permitted without our written approval; if the above provision is not observed, ROCKWELL COLLINS reserves the right to return the goods at the risk and expense of the supplier and it reserves the right to insist on the exact performance of the contract. Any necessary storage of the goods will be made at the expense and risk of the supplier.

5. The figures from ROCKWELL COLLINS' incoming goods inspection are decisive for quantities, dimensions and weights, unless other evidence is established.

6. Unless otherwise explicitly agreed in writing, the Item shall be delivered DDP Named Destination (according Incoterms® 2010). The supplier bears the risk of accidental destruction and of accidental deterioration of the Item until it has been delivered at its destination.

7. All shipments shall include a bill of delivery showing an order number from ROCKWELL COLLINS as well as information about gross and net weight; for partial deliveries which ROCKWELL COLLINS must explicitly permit, the remaining amount yet to be delivered must be provided. Apart from that, a shipping notice is to be sent to us in a timely manner by separate letter. ROCKWELL COLLINS will accept additional costs for expedited consignments only, if it requests them in writing, and only if ROCKWELL COLLINS reconfirms them in advance.

8. Unless otherwise agreed contractually, the place of performance for the payment and the delivery shall be the registered office of ROCKWELL COLLINS in Heidelberg, Germany.

V. Retention of Title and Right of Use (Software)

1. If the supplier has provided the rights of title retention, the ownership of the goods shall pass to ROCKWELL COLLINS upon payment; other types of retention of title such as, for example, the so-called current account and/or group retention do not apply.

2. § 449 (2) of the BGB [German Civil Code] is mandatory (Demand of return of delivered goods only upon cancellation of contract).

3. Software. The supplier grants ROCKWELL COLLINS a non-exclusive, irrevocable right of use to all software products, which is not limited in terms of time, territory and content. This right of use includes in particular the right for ROCKWELL COLLINS to develop other software; this created software will be the property of ROCKWELL COLLINS. The supplier guarantees that all software products delivered are free from the rights of third parties and indemnifies ROCKWELL COLLINS against all claims by third parties, which may be made against ROCKWELL COLLINS due to a violation of rights on the software products delivered by ROCKWELL COLLINS.

VI. Warranty, Compensation for Damages, Statute of Limitations

1. The delivery must take place free of defects of quality and title, and must correspond to the acknowledged rules of technology and standards, and the contractually agreed specifications, as well as safety, occupational safety, accident-prevention and other applicable requirements.

2. The supplier guarantees that the goods correspond precisely to the specifications provided in the order, and to other information from the supplier, including in catalogs, unless contractually agreed otherwise. The goods are to be inspected by the supplier for this purpose prior to shipping.

3. The supplier will allow ROCKWELL COLLINS to inspect its quality management system, and is subsequently obligated without delay to carry out necessary improvement measures.

4. The supplier provides a warranty period of 24 (twenty-four) months after delivery and acceptance of the goods/services. The same shall apply for replacement deliveries/services and repairs. Production releases do not affect our claims. Notices of defects suspend the statute of limitations.

5. ROCKWELL COLLINS shall be without limitation entitled to statutory warranty rights. Independent of that, ROCKWELL COLLINS, at its election, shall be entitled to demand from the supplier either removal of defects or replacement delivery. In these cases, the supplier shall be obliged to absorb all necessary costs for the purpose of removal of defects or the replacement delivery. ROCKWELL COLLINS explicitly reserves the right to claim damages, including compensation for damages for failure of performance.

6. At the expense of the supplier, ROCKWELL COLLINS shall be entitled to carry out the removal of defects on its own or to find a replacement supply itself, if there is a risk of default, or in case of urgency or necessity. In such a case, ROCKWELL COLLINS shall be entitled to the right to rescission from the contract or to a price reduction only, if the removal of defects/replacement delivery has "failed". To the extent possible, ROCKWELL COLLINS will notify the supplier prior to carrying out the removal of defects.

7. ROCKWELL COLLINS will examine the delivery within a reasonable period after receipt for any specification or quality deviations or other defects, and provide objections to the supplier as the case may be. The objection shall be in time, if it has been received by the supplier within a period of 10 (ten) working days calculated from the receipt of goods, or upon discovery for hidden defects. Payment of the invoice does not indicate acceptance by ROCKWELL COLLINS. The supplier bears the costs of any incoming goods inspection which goes beyond the normal scope as a result of defective delivered goods.

VII. Liability, Product Liability, Insurance

1. Upon first demand, the supplier will absorb all expenses, losses and expenditures of an indemnification agreement for claims of third parties for which he is responsible due to his deliveries/services, including product liability, as well as the expenses and expenditures of any legal proceeding or recall action disclosed to the supplier. The supplier's products liability also includes property damage for commercially or job-related used property. The supplier shall have the right to prove not being responsible for the cause of the damages.

2. The supplier is obliged to maintain a product liability insurance policy for personal injuries and property damages with a level of coverage that is sufficient and customary in the industry. Should ROCKWELL COLLINS be entitled to additional claims for compensation for damages, these rights remain unaffected.

VIII. Price Audits

1. ROCKWELL COLLINS may sell or implement the delivered goods for programs with public end-customers which foresee applicability of the pricing regulation VO PR 30/53 and a price audit. The supplier shall admit representatives of the public end-customer and ROCKWELL COLLINS access during regular business hours to all concerned entities of supplier's company and allow review of the documentation relevant for the pricing audit. Herewith obtained information shall be treated confidentially according section II.2.

IX. Business Ethics

In all transactions relating to the performance of this contractual relationship, Supplier agrees to conduct its business activity in accordance with the highest standards of ethics and

integrity and shall comply with all applicable civil or criminal laws and regulations prohibiting any form of bribery or corruption.

X. Obsolescence, Spare Parts

1. The supplier shall immediately advise ROCKWELL COLLINS in writing as soon as he identifies an offered Item which potentially is being rendered obsolete. Twelve (12) months prior to ending the obsolete Item's production, the supplier shall provide ROCKWELL COLLINS with a replacement for the obsolete Item which has design parameters and specification documentation fully consistent with the obsolete Item's then current design parameters and then current specification documentation. At ROCKWELL COLLINS' request, the supplier shall also make a final production run of sufficient quantity of the obsolete Item to satisfy ROCKWELL COLLINS' Item life requirements for a last time buy.

2. The supplier guarantees that the supply of replacement parts will be ensured at prices in line with the market for the duration of 7 (seven) years after delivery of the goods.

XI. PRODUCT MATERIALS DECLARATIONS, Hazardous Materials, REACH, Conflict Minerals, Lithium, Compliance, Audit Rights

1. **GENERAL.** Supplier shall comply with all environmental, hazard, safety and human rights laws and regulations ("Materials Declaration Regulations"), including but not limited to US, European and National Laws.

2. **HAZARDOUS MATERIALS.** Supplier shall notify Buyer of every Item(s) ordered hereunder which contains a substance or material that may be hazardous to the environment or injurious to the health or physical safety of persons. For each Item(s) so identified, Supplier shall provide to Buyer (i) the name of the substance or material, and the percentage by weight thereof in the Item(s) and in any subcomponent thereof, if any, and (ii) warning labels or instructional material appropriate to warn persons coming in contact therewith of the hazard and its effects. Supplier represents and warrants that no Item contains any hazardous or injurious substance or material, unless duly notified to Buyer in accordance with this Article.

3. **REACH.** The supplier shall upon transmission of the Purchase Order notify ROCKWELL COLLINS of every Item ordered hereunder which contains substance or material that may be hazardous or injurious to the health or physical safety of persons even though said hazard or injury may only occur due to mishandling or misuse of the Item as defined in the Regulation ("EC") No 1907/2006 of the European Parliament and of the Council of December 18, 2006 concerning Registration, Evaluation, Authorization and Restriction of Chemicals ("REACH"). Supplier shall promptly notify Buyer whenever an Item contains a substance that is added to the REACH Candidate List for Authorization. Supplier represents and warrants that the Item(s), its supply, its use, including its incorporation into other products, and its import into the European Union, complies with all applicable REACH requirements, including, but not limited to, registration of substances, and notification and authorization of SVHC. Supplier shall complete Buyer's bi-annual survey no later than fifteen (15) days from receipt of the survey and certify the content contained therein. Supplier further agrees that if Supplier does not respond within fifteen (15) days, such non-response shall constitute Supplier's affirmation that none of the Items supplied hereunder contain SVHC.

4. **CONFLICT MINERALS.** Upon Buyer's request ("CM Request"), Supplier shall provide information ("CM Disclosure") on any Items delivered hereunder containing Conflict Minerals ("CM"), which currently includes gold, tin, tungsten and tantalum, as defined in 77 FR 56273, 17 CFR PARTS 240, 249 and 249b, Section 13(p) to the Securities Exchange Act of 1934 and Section 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (collectively, "Conflict Minerals Regulations"). The CM Disclosure shall be completed in the format of the EICC GeSi Conflict Minerals Reporting Template at

<http://www.conflictreesmelter.org/ConflictMineralsReportingTemplateDashboard.htm> and be submitted to Buyer no later than fifteen (15) business days from receipt of the CM Request. Supplier shall certify the content contained in the CM Disclosure and shall promptly provide a written update of any change in or addition necessary to provide complete, accurate and correct information in the CM Disclosure. Supplier further agrees to provide any other information requested by Buyer to ensure compliance with Conflict Minerals Regulations.

5. **LITHIUM.** Prior to the initial shipment of any Item that contains lithium or any other derivative or combination of matter that contains lithium, Supplier shall notify Buyer in advance of Item shipment via email at rohs@rockwellcollins.com. If there is any material change to the lithium content in subsequent shipments of any Item, Supplier shall resubmit the notification with the updated information. Such notification of lithium content shall be accurate and complete in accordance with the appropriate form available for download at www.supplycollins.com. Additionally, prior to and during shipment, each Item containing lithium shall meet the labeling and all other requirements set forth in UN (United Nations) Manual of Tests and Criteria, part III, subsection 8.3 as referenced in the US (United States) DOT (Department of Transportation) hazardous materials regulation 49 CFR (Code of Federal Regulations) parts 100-185. Furthermore, prior to and during shipment, each Item that contains lithium shall meet the requirements set forth in the IATA (International Air Transport Authority) Dangerous Goods Regulations Section 4.

6. **COMPLIANCE.** For the term of his contractual relationship with ROCKWELL COLLINS, Supplier shall notify Buyer immediately if any Item contains any hazardous or injurious substance or material, SVHC, CM, lithium, or any other substance or material that requires reporting under Materials Declaration Regulations as defined under Sections XI. 1.-5., herein. Supplier shall cooperate with Buyer and provide Buyer, with all information, documentation, and assistance requested by Buyer for achieving compliance with all current and future Materials Declaration Regulations. Supplier shall reimburse Buyer for all costs and expenses in connection with any expenditure required by Buyer for compliance of Items with such Materials Declaration Regulations, including, but not limited to, testing for REACH compliance which testing shall be performed, at Buyer's option, by Buyer or Supplier.

7. **AUDIT RIGHTS.** This Article shall apply to Supplier, its subcontractors, agents, and consultants and Supplier shall flow down the requirements of this Article in its agreements with its subcontractors, agents and consultant. Supplier shall also provide a copy of its policies and/or procedures implemented for compliance with this Section XI. Supplier's compliance with this Section XI shall be capable of verification through audit and analysis by Buyer and be available to Buyer at Supplier's facility for Buyer's examination, reproduction, and audit at all reasonable times from the date of this Agreement until three (3) years after final payment hereunder. Supplier shall provide assistance to interpret such data if requested by Buyer.

XII. Import, Export

1. Without prior request from ROCKWELL COLLINS supplier is obliged to obtain all official approvals and other official authorizations for import and export, as well as for re-shipment of the goods to be delivered, to the extent that they are necessary for the fulfillment of the specific order as well as the end use of the goods. To that end and in the event that the supplier is requested by the relevant governmental authorities to transfer ROCKWELL COLLINS information, the supplier shall only do so with prior coordination with ROCKWELL COLLINS. Upon request and without delay, the supplier must make available to ROCKWELL COLLINS all necessary information with respect to the goods to be delivered.

2. If deliveries are destined for exportation, the supplier shall provide the following information:

- (i) Harmonized Tariff Schedule Number (HTS);

- (ii) Export Control Classification Number (ECCN) according Export Administration Regulations (EAR) or USML Category Code (CAT) according International Traffic in Arms Regulations (ITAR);
- (iii) Country of Origin;
- (iv) a Certificate of Origin or Manufacturer's Affidavit (MA) for all product or Items delivered hereunder.

The information and data according paragraph 2.(ii) have to be transmitted in the offer. Changes and information must be directed to the purchasing department of ROCKWELL COLLINS.

3. If the supplier provided declarations regarding the origin character of the delivery or wrongly decided his products as non-ITAR obligatory and failed to apply for respective permissions, then he is obliged to compensate for losses which were caused, if the declared origin is not accepted as a result, for example, of wrong certification or the impossibility for verification or export cannot be performed due to missing licenses. With respect to the supplier, this liability applies only to culpable acts or omissions or for the lack of warranted characteristics.

XIII. Intellectual Property Rights Indemnification

The supplier shall be obliged to indemnify ROCKWELL COLLINS against foreign and domestic legal claims by third parties, which may arise from foreign or domestic patents, design patents, copyrights or other rights, even in the final country of destination for the deliveries and services from ROCKWELL COLLINS for using the delivered goods or services, or to compensate ROCKWELL COLLINS for losses that result in the case of a claim by such a third party. This also includes legal expenses, payments as compensation for damages, as well as alteration and reconstruction work. This liability indemnification applies only to culpable acts or omissions of the supplier.

XIV. Extraordinary Termination, Residual Compensation, Force Majeure

1. ROCKWELL COLLINS has the right to terminate the contractual relationship completely or in part at any time for objectively justifiable reasons, such as but not limited to

- (i) self-termination by its end customer or
- (ii) Insolvency of supplier or
- (iii) ROCKWELL COLLINS receiving notice or coming into possession of credible evidence that the provisions of the Anti-Bribery Laws may have been violated by supplier, or by any of its principals, owners, agents, representatives or employees.

In this case, the supplier receives the appropriate stipulated purchase price for goods already completed after their acceptance; for incomplete parts, he receives reimbursement for the proven expenses. In any event the stipulated purchase price may not be exceeded by the residual compensation.

2. In case of Force Majeure, labor dispute measures, non-culpable operational disruption, riots, official measures, and other events which cannot be averted and which last longer than 30 (thirty) calendar days, ROCKWELL COLLINS has the right to withdraw completely or in part from the contract/order affected, with immediate effect and, to the extent legally permitted in the specific case, without any payments for compensation for damages, loss or expense reimbursement to the supplier.

XV. Offset Transactions

Upon request by ROCKWELL COLLINS, within the scope of the respectively applicable provisions and requirements, the supplier shall confirm that specific deliveries/services can be credited against compensation obligations of the end-customer, of ROCKWELL COLLINS or its affiliated companies.

XVI. Court of Jurisdiction and Applicable Law

The contractual relationship with the supplier shall be exclusively governed by and these General Terms and Conditions of Purchase shall be construed exclusively in accordance with the law of the Federal Republic of Germany, 074-8432-851

excluding the application of any conflict of law rules. The application of the U.N. Convention on Contracts for the International Sale of Goods of April 11, 1980 (CISG) is explicitly excluded. Place of jurisdiction for all legal disputes arising from and in connection with the business relationship of ROCKWELL COLLINS with the supplier - except in case a different exclusive court of jurisdiction is required by law - shall be exclusively Heidelberg, Germany.

XVII. Legal Validity, Written Form, Data Security, Liability for Individuals Performing On-Site Work, Miscellaneous

1. The invalidity of parts or individual provisions of these Purchasing Terms and Conditions shall not affect the validity of the remaining parts or provisions. As far as parts or individual provisions of these Purchasing Terms and Conditions have become invalid, the content of the Agreement shall be replaced or governed by statutory provisions. In no case the affected provision in these General Purchasing Terms and Conditions shall be replaced by the terms and conditions of the supplier.

2. Any changes or amendments to these General Terms and Conditions of Purchase require written confirmation from ROCKWELL COLLINS in order to be valid; this shall also apply for a deviation from the contractual written form requirement itself.

3. Legal declarations of intent by the supplier such as notices of termination, withdrawal declarations or demands for compensation for damages are only valid, if they have been submitted in writing.

4. ROCKWELL COLLINS is entitled to process and to save the data obtained from the supplier in connection with the business relationship - even if it comes from third parties - in the sense of the Federal Data Security Act, and to have it processed and saved by third parties authorized by ROCKWELL COLLINS.

5. Individuals working at the ROCKWELL COLLINS premises while fulfilling the contract are required to comply with the rules and regulations applicable in such premises. Liability for accidents suffered by these individuals in the premises is excluded, to the extent that they were not caused by ROCKWELL COLLINS intentionally or as a result of gross negligence.

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