

German Supplement - Product

The terms of this German Supplement apply to all Orders issued by Buyer Affiliates based in Germany (each individually a “German Buyer Affiliate” and collectively “German Buyer Affiliates”) for Goods or Services to be performed by Supplier in Germany.

Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Terms and Conditions. Terms and Conditions shall mean the applicable RTX Terms and Conditions of Purchase, as such terms are incorporated into the applicable Order.

I. General terms

1. Governing Law and Disputes

Instead of the provision on “**Governing law and Forum**” contained in the Terms and Conditions the following provisions shall apply:

Any Order entered into with a German Buyer Affiliate and any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with it or its subject matter or formation shall be governed by and interpreted in accordance with the laws of Germany. The United Nations Convention on Contracts for the International Sale of Goods (CISG) shall not apply.

The competent Court of German Buyer Affiliate’s headquarters shall have exclusive jurisdiction for any action or claim relating to or arising out of the Order or its subject matter or formation.

2. Compliance with Laws

References to U.S. laws and regulations shall be interpreted to include all applicable German and European laws and regulations.

In particular, the Parties shall additionally comply with all import and export control laws and regulations under German and EU law insofar as they are applicable to them. The obligations set out in the section on “**Global Trade Compliance**” in the Terms and Conditions shall apply to the extent that such compliance does not result in a violation of or conflict with national or EU law (“blocking laws”).

II. Special terms

As the Parties have chosen that the Order shall be governed by German law, the following provisions shall apply. The “Buyer” in terms of these provisions shall be the German Buyer Affiliate.

1. Payment Terms and Prices

Notwithstanding anything to the contrary in the Terms and Conditions payment of invoices issued under any Order shall be due and payable thirty (30) days following Buyer’s receipt thereof, provided (i) the associated Goods or Services have been delivered and/or performed pursuant to Buyer’s requirements, and (ii) Buyer’s invoicing requirements have been satisfied.

2. Rejection of Goods

Paragraphs 3 and 6 of the provision on “**Inspection, Acceptance and Rejection**” in the Terms and Conditions shall be replaced by the following provisions:

Paragraph 3:

“Buyer may, with respect to any Goods: (i) reject all or a portion of any nonconforming Goods; or (ii) accept any conforming Goods and reject the rest.”

Paragraph 6:

“With respect to rejected nonconforming Goods, Buyer may at its election and at Supplier’s risk and expense return nonconforming Goods to Supplier for replacement Goods to be received within 24 hours of nonconformity notification. Further statutory rights remain unaffected. 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. Goods returned to Buyer hereunder shall be shipped at Supplier’s expense 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 accompanied by a disclosure of Buyer’s prior rejection(s).”

3. Warranty

The Warranties set forth in the Terms and Conditions are without prejudice to any other warranties available under applicable law and none of the provisions contained in the Terms and Conditions shall limit Buyer’s statutory warranty rights in the event of defects.

Paragraph 3 of the provision on “**Warranty**” in the Terms and Conditions shall be replaced by the following provision:

Paragraph 3:

“Buyer may require Supplier to promptly (i) repair or replace, at Buyer’s option, any Goods which breach the Warranty; and (ii) re-perform or correct at Buyer’s option, any Services which breach the Additional Service Warranty. If Supplier fails or is

unable to repair, replace, or correct non-conforming Goods or Services, Buyer may, at Buyer's option, make such repair, replacement, or correction and charge Supplier for the cost incurred thereby. Goods returned to Buyer hereunder shall be shipped at Supplier's expense and risk of loss and shall be accompanied by a 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."

The warranty period shall be 36 months from delivery of the parts to Buyer. The statutory provisions on limitation in the event of supplier recourse (Section 445b of the German Civil Code) remain unaffected.

4. Liability

The Supplier shall not be liable for damages (including liquidated damages) and not be obliged to indemnification under the following provisions contained in the Terms and Conditions if the Supplier proves that is not responsible for the breach or infringement in terms of sections 276, 278 of the German Civil Code:

- **"Inspection, Acceptance and Rejection"**, paragraph 7
- **"Warranty"**, paragraph 4 (to the extent that the clause comprises the compensation of damages)
- **"Indemnification"**
- **"Termination for Default"**, paragraph 2
- **"Intellectual Property Indemnification"**, paragraph 1
- **"Remedies"**

5. Audit

Paragraph 1 of the provision on **"Inspection and Audit Rights"** in the Terms and Conditions shall be replaced by the following provision:

Paragraph 1:

"Supplier shall at any time during normal business hours, and after reasonable notice by Buyer, grant to Buyer, Buyer's authorized representatives, Buyer's Customers and to any competent regulatory authority, (i) unrestricted access to (or if requested by Buyer, provide to Buyer copies of) Supplier's books, records, and documentation related to this Agreement (including, without limitation, those pertaining to quality, legal and regulatory compliance, inspection and testing of Goods and Services, physical and network security and data protection procedures and controls, and ethics and compliance programs); and (ii) access to Supplier's premises to perform any type of inspection, test, audit or investigation with respect to Supplier's premises and network, including, without limitation, manufacturing and test locations used in connection with the Order, for the purpose of enabling Buyer to verify compliance with the requirements set forth in the Order or respectively statutory requirements in connection with the design, development, certification, manufacture, sale, use, or support of the Goods or Services. The Supplier shall also ensure that its suppliers and subcontractors grant the same access to Buyer, its authorized representatives, Customers and to any

competent regulatory authority if and to the extent required for the aforementioned purposes.”

6. Buyer-Furnished and Buyer-Funded Items

The restriction of Buyer’s liability for any delays or failures in the delivery of Buyer Furnishes items as stipulated in the provision on “**Buyer-Furnished and Buyer-Funded Items**” paragraph 1 of the Terms and Condition shall apply unless such delay or failure is due to the intentional acts or omissions or gross negligence of the Buyer, its representatives or vicarious agents.

7. Changes

Unilateral changes by the Buyer based on the provision on “Changes” in the Terms and Conditions shall only be made at the Buyer’s reasonably exercised discretion in accordance with Sec. 315 of the German Civil Code. The Buyer shall not be entitled to make Changes, which are, from an objective view in due consideration of both parties’ interests, unreasonable for the Supplier despite equitable adjustments in price and time to be made pursuant to the second paragraph of the provision; this applies in particular to any Changes which are technically unfeasible.

8. Term and Termination

No provision contained in the Terms and Conditions shall affect the Parties’ right to terminate German law for good cause.

Subsection iv of paragraph 1 of the provision on “**Termination for Default**” in the Terms and Conditions shall not apply.

9. Intellectual Property Rights

Paragraph 4 of the provision “**Intellectual Property Rights**” in the Terms and Conditions shall be replaced by the following provision:

Paragraph 4:

“Buyer shall own all Foreground Intellectual Property. Supplier shall disclose to Buyer all Foreground Intellectual Property. If not expressly required to be delivered in the Order, Supplier shall deliver to Buyer all Foreground Intellectual Property upon written request from Buyer. Supplier hereby irrevocably assigns and promises to assign to Buyer all right, title and interest to all Foreground Intellectual Property and Buyer hereby accepts such assignment. Supplier agrees to do all things reasonably necessary to enable Buyer to secure and perfect Buyer’s Foreground Intellectual Property rights, including, without limitation, executing specific assignments of title in Foreground Intellectual Property by Supplier to Buyer and cooperating with Buyer at Buyer’s expense to defend and enforce Buyer’s rights in any such Foreground Intellectual Property. All Foreground Intellectual Property shall be considered Buyer’s Proprietary Information (defined hereinafter). Supplier, warranting that it has the right to do so, hereby assigns and promises to assign all right, title, and interest to any copyright in any works of authorship created by Supplier or any employees or any others used by Supplier in the course of the order to Buyer and will execute, or cause to be executed at

Buyer's expense, any documents required to establish Buyer's ownership of such copyright.

Where any Foreground Intellectual Property for any reason do not vest in Buyer or cannot be transferred and assigned fully to Buyer, Supplier hereby licenses, and will cause its employees and any others used by Supplier to licence to Buyer and to any third parties that the Buyer identifies at any point in time, to the same extent (on an exclusive, worldwide, perpetual, irrevocable, transferable and sub-licensable, and free of charge basis), as soon as created, such Foreground Intellectual Property, including, but not limited to, the right of reproduction, in whole or in part, storage, adaptation, modification, decompilation, further development, distribution, public communication and making available to the public, in all known and unknown types of use, as well as the respective use of the results thereof."

10. Subcontracting

Paragraph 2 on the section on "**Subcontracting**" in the Terms and Conditions applies subject to the provision that Section 354a of the German Commercial Code remains unaffected.

11. Partial Invalidity

The provision on "**Partial Invalidity**" in the Terms and Conditions shall be replaced by the following provision:

"If any provision contained in the Terms and Conditions shall be determined to be invalid or unenforceable this shall not affect the validity of the remaining provisions of the contract which shall be given effect in accordance with their terms. Instead of the invalid or unenforceable clause the statutory provisions shall apply."