

MYIX CRH ADDENDUM
MANDATORY SUBCONTRACT REQUIREMENTS FOR ORDERS UNDER MULTI-YEAR IX ISSUED IN SUPPORT OF SIKORSKY'S COMBAT RESCUE HELICOPTER PROGRAM

Given the commonality of parts between the MYIX Black Hawk and Sikorsky's Combat Rescue Helicopter ("CRH"), some orders placed under MYIX subcontracts will be used to satisfy CRH requirements. As such, Sikorsky must flow down certain Section H clauses from its CRH prime contract to our MYIX suppliers. If the execution report on the supplier portal indicates that a requirement is supporting contract no. FA8629-14-C-2403, this is a CRH requirement and these mandatory flowdowns apply. These flowdowns do not apply to any orders used to satisfy requirements on any other Sikorsky program, including but not limited to MYIX.

ASC/WISV-H011 – RETROFIT OF DELIVERED CRH SYSTEMS (FEB 2012)

The Supplier shall be responsible for the correction of any in-scope deficiencies discovered in Supplier's goods or services during CRH development, operational and qualification testing. For the purposes of this clause, an in-scope deficiency is defined as any deficiency in Suppliers goods or services as evaluated against this Agreement, including any specifications, drawings, statements of work or other documents, whether incorporated by reference or in full text. In the event of the discovery of one or more in-scope deficiencies, the Supplier shall update all delivered, and yet to be delivered, goods or services under this Agreement, or affected portions thereof, and options yet to be exercised under this Agreement, to correct the deficiencies discovered during CRH development, operational and qualification testing. The Supplier shall submit an ECP/CCP to correct all delivered and yet to be delivered CRH goods or services, or affected portions thereof. The correction of in-scope deficiencies shall be accomplished at no change to this Agreement's price. The Supplier shall also perform all maintenance actions necessary to bring the affected goods or services up to date at no change in this Agreement's price. Any disagreement between Buyer and Supplier regarding the existence of an in-scope deficiency shall be considered a dispute and handled pursuant to the Disputes provision of this Agreement.

ASC/WISV-H019 – EQUITABLE ADJUSTMENT FOR RELIABILITY AND MAINTAINABILITY (R&M) REQUIREMENTS (FEB 2012)

As the prime contractor on the CRH program, Buyer's reliability and maintainability (R&M) contractual commitments will be evaluated against the entire CRH aircraft's mean time between failure ("MTBF"). The U.S. Air Force's method for calculating MTBF is explained below for your information. For the purposes of this clause, MTBF is calculated only at the CRH aircraft level. Buyer's failure to meet the Government's MTBF requirements entitles the U.S. Air Force to an equitable adjustment against Buyer. To the extent an in-scope deficiency in the goods or services provided by Supplier causes Buyer to fail to meet its contractual R&M requirements on the CRH

contract resulting in a request for equitable adjustment against Buyer, Buyer shall have the corresponding right to an equitable adjustment against Supplier. Buyer's right to an equitable adjustment under this clause shall be on a pro rata basis to the extent the goods or services provided by Supplier are only a partial cause of the CRH aircraft's failure to meet contractual R&M requirements. For the purposes of this clause, an in-scope deficiency is defined as any deficiency in Suppliers goods or services as evaluated against this Agreement, including any specifications, drawings, statements of work or other documents whether incorporated by reference or in full text.

Supplier shall submit an ECP to correct the in-scope deficiency, shall retrofit all delivered goods and or services to correct the in-scope deficiency, and shall provide yet to be delivered goods or services with the in-scope deficiency corrected. These efforts shall be completed within 12 months at no additional cost to Buyer. The failure of the parties to agree on the existence of an in-scope deficiency, as defined in this clause, shall be a considered a dispute and handled pursuant to the Disputes provision of this Agreement.

Illustrative Examples:

1. Supplier provides Widget X to Buyer. Widget X fails to conform to the requirements of this Agreement and causes the CRH fleet to be grounded. The grounding of the fleet results in the CRH aircraft failing to meet its MTBF requirements, and the Air Force submits a request for equitable adjustment against Buyer under prime contract clause H-019. This clause would apply in this scenario and enable Buyer to seek a corresponding request for equitable adjustment against supplier.
2. Supplier provides Widget Y to Buyer. Widget Y is provided with a widget-specific MTBF. Widget Y fails to meet its widget-specific MTBF on the CRH aircraft, but the CRH aircraft continues to meet or exceed the aircraft-level MTBF. This clause would not apply, and Buyer would not be entitled to an equitable adjustment pursuant to this clause (Buyer's other rights and remedies would remain intact).

U.S. Air Force Calculation of MTBF on the CRH Contract (provided for informational purposes only):

The specific measure monitored is mean time between failure (MTBF). The fleet's previous 12-month average data as contained in the USAF Weapons System Logistics, Installation and Mission Support - Enterprise View (LIMS-EV) system will be evaluated 30 months after achievement of Required Asset Available (RAA) and yearly thereafter through the completion of the prime contract. To account for potential discrepancies in the LIMS-EV metrics, the previous 12-month average for MTBF-1 and 12 hr Fixed Rate shall be no less than 97% of the SS requirement and the Abort Rate shall be no more than 103% of the SS requirement.