

LONG TERM AGREEMENT NO. \_\_\_\_\_  
("LTA") dated \_\_\_\_\_

This LTA by and between Sikorsky Aircraft Corporation, A Lockheed Martin Company, a Delaware Corporation having an office and place of business in Stratford, CT ("Buyer") and \_\_\_\_\_ a \_\_\_\_\_ Corporation having an office and place of business in \_\_\_\_\_ ("SELLER") (collectively or individually as the context requires "Party(ies)") dated this \_\_\_ day of \_\_\_\_\_ 20\_\_\_, is effective on the date last executed below ("Effective Date").

**DEFINITIONS:** Capitalized terms, if not defined within this LTA, will be defined in accordance with the definitions contained in the applicable Sikorsky Supplemental Clauses for Subcontracts and the applicable CorpDocs.

**SECTION I: SUPPLY OF WORK**

**1. Term and Estimated Value**

The term of this LTA shall be from the Effective Date until \_\_\_\_\_, \_\_\_ 20\_\_ ("Term").  
The total estimated value of this LTA is \$ \_\_\_\_\_.

**2. Scope**

Buyer may release purchase orders under this LTA ("POs") to SELLER, which SELLER shall accept for any or all of the items listed in Attachment A ("Work"), (which for the purposes of this LTA shall include its subcomponents and line replaceable units as the context requires). SELLER shall fill all POs released and comply with the requirements on each PO. This LTA is neither a requirements contract, nor does it establish an exclusive relationship with SELLER. Buyer may procure items from other sources in addition to, or as substitute for, the Work.

**3. Forecasts**

The estimated dollar value of this LTA and initial quantity of Work is listed in Attachment A ("Initial Forecast"). The Initial Forecast represents Buyer's estimate for the Term. The Initial Forecast and any subsequent forecasts (collectively "Forecasts") are for planning purposes only and Buyer reserves the right to purchase quantities greater than the Forecasts. Forecasts shall not relieve, modify, or otherwise alter SELLER's obligations to meet the required Delivery Dates and quantity requirements stated in a PO. Buyer is under no obligation to purchase any or all of the Forecasted dollar value or quantities. If Buyer does not purchase the Forecasts, SELLER shall not be entitled to any adjustment in the Prices or any other provisions of this LTA or PO.

**4. Lead Times:**

The lead times applicable to the Work are those listed in Attachment A ("Lead Time(s)"). During the Term, SELLER shall maintain a Lead Time reduction program that targets year-over-year reductions to Lead Times required for delivery of Work. On each anniversary of the Effective Date during the Term, Buyer and SELLER shall review the factors impacting SELLER's Lead Time, including but not limited to the availability of raw material and production rates, for opportunities to reduce SELLER's Lead Time. If potential reductions to Lead Time exist, the Parties shall issue a revision to Attachment A incorporating the updated Lead Time accordingly.

**5. Stocking of Work**

During the Term and for so long thereafter as is necessary to support any warranty obligations, SELLER shall maintain, at its own expense, a buffer inventory of new Work at the levels outlined in Attachment A ("Stock"). Buyer shall direct any and all withdrawals taken from the Stock to fulfill POs. Upon withdrawal, SELLER shall replenish to the agreed Stock level at the earliest practicable time.

Buyer and SELLER shall work closely to ensure no Stock remains at the end of the Term. Beginning with the onset of the last Lead Time prior to the end of the Term, SELLER may begin process of reducing Stock to zero by the end of the Term by using Stock to fulfill Buyer's POs and SELLER's obligation to replenish shall be waived. SELLER is not required to maintain Stock beyond the Term and Buyer shall not be liable for any excess quantities remaining in Stock at the end of the Term.

**6. Prices**

The prices Buyer shall pay for Work, irrespective of end use, are those listed in Attachment A ("Prices"). The Prices are firm fixed in United States Dollars and shall be maintained by SELLER for the Term.

**7. Right to Buy**

During the Term, SELLER shall also accept POs for Work under the terms and for the Prices set forth in this LTA from: (i) Buyer's parent (ii) Buyer's, and Buyer's parent's, respective subsidiaries, affiliates, and joint ventures; and (ii) Buyer's subcontractors who bear written consent from Buyer allowing a right to buy under this LTA. (Parties other than Buyer in (i), (ii) and (iii) shall be referred to as "Other(s)"). SELLER shall not adjust Prices regardless of the quantity of Work, if any, purchased by Other(s) under this section.

**SECTION II: SUPPORT FOR WORK**

The Parties acknowledge that Buyer's aircraft have long service lives, during which Work is required for product support until the later of: (i) twenty-five (25) years after the Term, or (ii) end products incorporating the Work are no longer in regular production and there are fewer than five (5) of the end products in operation, ("Product Support Period"). SELLER shall provide the following product support during the Product Support Period to Buyer and Others as required:

**1. Product Support Plan**

SELLER shall deliver a product support plan identifying a product support infrastructure including location, point of contact with phone numbers, and availability of SELLER personnel. SELLER's product support point of contact shall respond to communication from Buyer within the following time periods starting from the receipt of such communication: (i) AOG communications: four (4) hours; (ii) Other communications via Telephone, fax, e-mail: twenty-four (24) hours; (iii) Letter: ten (10) calendar days; (iv) Request for Quotation: ten (10) calendar days.

**2. Aftermarket Supply of Work**

Buyer may issue POs to SELLER subsequent to the Term. If no current pricing agreement is in place the Parties shall negotiate prices for Work in good faith.

**3. Exclusivity**

SELLER appoints Buyer as the exclusive distributors of all Work, and if applicable Overhaul and Repair Services, , during the Product Support Period.

**4. Support Pool**

If quantities are indicated on Attachment A to this LTA, SELLER shall, in addition to the Stock, maintain a pool of Work to support: aircraft on ground ("AOG"), warranty obligations, supply of Exchange Work (as defined below) and sparring (collectively "Support Pool"). The Support Pool shall be held in such locations as Buyer may from time to time direct. SELLER shall maintain Title to the Work in the Support Pool. SELLER shall be responsible for tracking the location, and upgrading the configuration, of Work in the Support Pool. Upon removal of quantity from the Support Pool, SELLER, at the earliest practicable time, shall (i) inform Buyer of the remaining quantity in the Support Pool; (ii) replenish the Support Pool within the time period set forth in Attachment A ("Support Pool Replenishment Period"); and (iii) inform Buyer of Support Pool replenishment. Repaired Work may be placed in the Support Pool. If the Support Pool proves

insufficient to satisfy Buyer's requirements, Buyer may require SELLER to increase the Support Pool. Any increase to the quantity in the Support Pool will be at SELLER's expense and shall not be considered a change under the terms of the Agreement.

**5. Overhaul and Repair Services and Prices (Applicable only to Work that can be overhauled or repaired)**

Buyer may issue POs to SELLER during the Term for any or all of the overhaul and repair services listed in Attachment A ("Overhaul and Repair Services") or new or serviced Work in exchange for Work requiring Overhaul and Repair Services ("Exchange Work") at the prices stated therein ("Repair Price" or "Exchange Price", as applicable). SELLER shall provide Overhaul and Repair Services or Exchange Work during the Product Support Period. If no current pricing agreement is in place for the Overhaul and Repair Services or Exchange Work subsequent to the Term, the Parties shall negotiate Prices for Overhaul and Repair Services or Exchange Work in good faith.

**6. Turnaround Time (Applicable only to Work that can be overhauled or repaired)**

SELLER shall return the Work within the time period set forth in Attachment A after receipt of Work requiring Overhaul and Repair Services ("O&R TAT"). SELLER shall ship Exchange Work within the time period set forth in Attachment A after receipt of an order for Exchange Work ("Exchange TAT", Exchange TAT and O&R TAT shall collectively be referred to as "TAT Periods").

**7. Shipment of Product Support Work**

SELLER shall deliver emergency support Work twenty-four (24) hours a day, seven (7) days a week. SELLER shall perform within the following time periods starting from the receipt of such communication: (i) for AOG: ship Work to the location directed by Buyer within twenty-four (24) hours and deliver shipping information applicable to the shipment within four (4) hours; and (ii) for Non-AOG, Non-Warranty claims: deliver the expedited shipping schedule within three (3) calendar days. In all instances, once shipped, SELLER shall deliver to Buyer the shipping information applicable to the shipment.

**8. Business Pursuits**

Upon Buyer's request, SELLER shall provide a proposal in good faith for performance-based logistics based on the requirements set forth therein.

**SECTION III: ADDITIONAL ORDER REQUIREMENTS**

**1. Compliance**

If Buyer notifies SELLER that Work supports a Prime Contract with the United States Government, SELLER shall comply with all Federal Acquisition Regulation ("FAR") and Defense Federal Acquisition Regulation Supplement ("DFARS") provisions required by law or regulation (including if applicable to the PO, certification of current cost or pricing data), or necessary for Buyer to comply with the requirements of its Prime Contract and United States Government procurement regulations.

**2. Survival**

Sections II and III of this LTA shall survive expiration of this LTA or any extension thereof.

**3. For Orders Under US Government Prime Contracts:** Purchase orders placed under this LTA may be used to fulfill requirements under US Government prime contracts. Therefore, the terms of this LTA, including pricing, are subject to change based on the applicable US Government rules and regulations, including, but not limited to, audit and verification of the "commercial item" status, cost or price analysis, and disclosure of certified and uncertified cost or pricing data. In addition, the US Government's rejection of any of the terms of this LTA for purposes of fulfilling

requirements under US Government prime contracts shall entitle Buyer either to: (i) terminate this LTA without any liability to SELLER, or (ii) revise the terms of this LTA.

**BUYER**

**SELLER**

By: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

**ATTACHMENT A**

Work Firm Fixed Price List

Buyer Part Number	SELLER Part Number	Price (USD)	Initial Forecast (pcs)	Lead Time (days)	Stock (pcs)	Support Pool (pcs)	Support Pool Replenishment Period (days)

Standard Repair Firm Fixed Price List

Buyer Part Number	SELLER Part Number	Repair Type	Repair Price (USD)	Exchange Price (USD)	O&R TAT (days)	Exchange TAT (days)