



October 25, 2016

Subject: Increase in e-mail frauds involving payment banking instructions

As a valued customer of Pratt & Whitney Canada Corp. (P&WC), we want to share some recent experiences P&WC and some of our customers have encountered in regards to fraud.

Since the beginning of the year, P&WC has noticed an increased volume of fraud attempts directed toward P&WC and other United Technologies Corp. (UTC) divisions including our customers and suppliers. Two of our customers have fallen victims to such scams, in one case resulting in a substantial sum of money being misappropriated.

The fraud scheme involved social engineering to assume the identity of a business contact within P&WC and used slightly modified e-mail addresses, with subtle modifications to steal the identity of a P&WC employee. This was used to fraudulently notify our customers of false changes to P&WC's payment banking instructions. In one case, the scheme went so far as to actually make calls to a customer's employee.

We would like to remind you to be vigilant when receiving and processing any payment requests or changes to payment banking instructions. Control procedures could include the following practices:

Verification of the request through direct confirmation.

Obtaining contact information from independent sources.

Review of e-mail addresses and related information for accuracy.

If you receive suspicious written communication from P&WC, we encourage you to make adequate validations with your formal P&WC representative.

We take these situations seriously and hope that by preventively sharing this information, it will help avoid similar unfortunate circumstances.

Thank you and best regards.

Robert Chouinard
Treasurer
Pratt & Whitney Canada Corp.