

HUGHES MACHINE SHOP, INC

Acceptance of our Purchase Order indicates your acceptance of the following Flow Down Requirements:

NONDISCLOSURE Suppliers and Sub-Tier/Subcontractors shall maintain confidentiality of information provided by HUGHES MACHINE SHOP, INC. related to its customers, their proprietary information, including all drawings, prints, etc. At no time should photos of products be taken and/or shared either internally or externally other than those required for quality systems. In such case, information is to be contained in a manner that provides security and confidentiality if the customer and their shared information

PROCUREMENT REQUIREMENTS Supplier and Sub-Tier/Subcontractors shall manufacture product or provide service to applicable drawings, specifications, timeframe, and/or standards stipulated on the purchase order. The supplier shall flow down to Sub-Tier/Subcontractors the applicable requirements in the purchasing documents, where required. The supplier shall notify HUGHES MACHINE SHOP, INC. prior to the acceptance of the purchase order if any of the requirements stipulated cannot be met. The supplier shall notify HUGHES MACHINE SHOP, INC. immediately of any changes to the characteristics or configuration of the product and/or processes used to manufacture the product. When required, the supplier shall obtain written approval of changes.

CONTROL OF DRAWING AND SPECIFICATIONS Supplier and Sub-Tier/Subcontractors shall ensure that all drawings and specifications are at their relevant revision status or as specified on the purchase order. The supplier shall comply with any special requirements requested regarding the control of drawings and specifications to include confidentiality clauses and ITAR Compliance

TRACEABILITY OF RAW MATERIAL All applicable items manufactured under the purchase order shall be traceable to raw materials used. Traceability and inspection records shall be available upon request. Identification of all material used shall include lot number, material type, heat treat number as well as all other information necessary to adequately identify material in such a manner to ensure full traceability of raw materials used.

CERTIFICATION documentation when required from the Supplier and Sub-Tier/Subcontractors and shall include the following information at a minimum: Item Number, Quantity, Lot and/or Serial Numbers, Date of Manufacturing (D.O.M.) / Expiration Date (if applicable). Applicable Specifications and Standard information Material types, sizes, color etc. (where applicable).

COUNTERFEIT/SUSPECT PARTS Supplier and Sub-Tier/Subcontractors shall not use, or supply counterfeit/suspect parts identified as a copy or substitute part whose material, performance or characteristics are knowingly misrepresented.

NON-CONFORMING PRODUCTS Supplier and Sub-Tier/Subcontractors shall identify, segregate and determine appropriate disposition of non-conforming product, advise HUGHES MACHINE SHOP, INC. within 24 hours, and have an effective corrective action system in place. Where rework is required to meet specification requirements, the supplier, at no cost to HUGHES MACHINE SHOP, INC, shall arrange for such re-work.

FOREIGN OBJECT DEBRIS CONTROL Supplier shall maintain a program/ process that shall ensure work is accomplished in a manner preventing foreign object debris and damage to deliverable items.

APPROVED SOURCES Only approved sources shall be used. When required on Military and Department of Defense contracts, only parts from Qualified Product Lists (QPLs) or Qualified Manufacturers Lists (QML's) may be used. There are no part deviations or substitutes allowed unless written approval is obtained. HUGHES MACHINE SHOP, INC reserves the right to approve/refuse service subcontractors based on prior experience and/or recommendation by a HUGHES MACHINE SHOP, INC's customer.

PRODUCT SAFETY AND ETHICAL BEHAVIOR Suppliers are required to promote a culture of employee awareness of their contribution to product/ service quality and safety, and the importance of ethical behavior.

PERSONNEL QUALIFICATION Supplier shall ensure personnel performing work under this purchase order, are qualified to perform the functions required to produce the desired results. This would include any specific training and/or certifications as described within the applicable specifications related to this order.

HUGHES MACHINE SHOP, INC

CALIBRATION SYSTEM All inspection, measuring, and test equipment used by the supplier during in-process and final inspection, to make a compliance evaluation, shall be calibrated and traceable to the standard used for calibration of the National Institute of Standards and Technology (NIST).

RIGHT OF ENTRY HUGHES MACHINE SHOP, INC. reserves the right to review control methods and inspect material, included in this purchase order, at the supplier's facility and/or Sub-Tier/Subcontractor plant. Access rights shall also be extended to our customer, government or regulatory representatives.

QUALITY SYSTEM Supplier and Sub-Tier/Subcontractors shall have and maintain a documented Quality Management System which is acceptable and appropriate for the items or services supplied TO HUGHES MACHINE SHOP, INC. that provides adequate inspection to verify that the product or service supplied are in full compliance with the purchase order requirements and specifications. HUGHES MACHINE SHOP, INC. measures supplier performance on an ongoing basis.

QUALITY RECORDS All quality records are to be legible, reproducible and identifiable to the purchase order. Quality records shall be stored and maintained in such a manner that they are readily available, legible, and retrievable; this applies to Sub-Tier/Subcontractors as well. Retention period for Quality Records is for a minimum of 5 years unless otherwise specified on the purchase order.

PACKAGING AND LABELING Unless otherwise specified in the purchase order, the Supplier shall package all material in a manner that will ensure protection against corrosion, oxidation, deterioration and physical damage during shipment. The Supplier shall comply with any special packaging and labeling requirements requested by HUGHES MACHINE SHOP, INC. or by its customer.

SHIPPING CONTROLS In the absence of specific shipping instructions, shipments shall be routed via the most economical mode. All product/services must be delivered on-time as specified on the purchase order. The Supplier must immediately notify HUGHES MACHINE SHOP, INC. if any product/service cannot be delivered as ordered by the stated date. We reserve the right to cancel the purchase order, or any portion thereof, if delivery is not made as specified.

EXPORT CONTROL In connection with the purchase order, each party agrees to comply with all applicable U.S. export control laws and regulations, including, without limitation, the International Traffic in Arms Regulations ("ITAR").

CYBERSECURITY In connection with the purchase order, Suppliers and Sub-Tier/Subcontractors represent that they maintain an information security program consistent with industry standards and applicable laws and will promptly notify HUGHES MACHINE SHOP, INC. of any security event that involves the loss of, theft of, or unauthorized access to, or unauthorized disclosure or use of any Confidential Information

This order shall be governed in all respects by the laws of the state of Louisiana.