

# Procurement Guidelines

Our procurement objective is to purchase materials, supplies, and services in the best interest of our company and our customers while maintaining good supplier and community relations. The following policies and practices have helped us to achieve these objectives.

## Supplier Relations

Frankness, fair dealing, maintenance of good quality, on-schedule delivery, and fair prices are the main elements of our continuing to do business with all of our suppliers. We conduct our purchasing transactions in a manner that we hope our suppliers will value and will provide them with opportunities to compete for our business. To the maximum extent possible, our procurement is based on competitive bids. Competition includes quality and delivery schedules, as well as price. Competitiveness of price includes favorable terms (discounts) for prompt payment of invoices.

If you have a dispute with HBC, please try to resolve it by approaching the Supply Chain Management buyer first. If resolution isn't possible, then escalate to the buyer's supervisor or manager. If unable to reach a consensus, please contact the toll-free HBC Ethics Help Line (866.546.9750).

## Meetings with Buyers and Technical Personnel

All contacts with Hawker Beechcraft Corporation must be with the Buyer identified on the Request for Quotation or Purchase Order. If it is necessary for a supplier to meet with Quality or Technical personnel, the Buyer will coordinate. The only exception to this policy is that you are permitted to contact our Accounts Payable Department when checking on payment of your invoices. In order to use your time and the Buyer's time more efficiently, it is important to arrange for an appointment in advance. Your cooperation and patience is requested.

## Gifts, Favors, and Solicitations

In order for Buyers to conduct their business impartially and give all suppliers an equal opportunity, it is necessary to refuse all gifts or favors. A supplier who abuses this policy will be removed from our bidders' list. Purchasing personnel are forbidden to solicit funds from suppliers no matter how worthy the cause.

## Purchase Orders

Acceptance of our Purchase Order constitutes a contract between the Buyer and the Supplier. When you are awarded a Purchase Order, you may receive it via the approved eCommerce tool, fax, or by hard copy. The Purchase Order contains all of the terms and conditions that apply to your performance on the Purchase Order. If an acknowledgment copy is required, do not sign it until you understand and agree to all of the terms and conditions. If you need help, contact the Buyer for clarification or any necessary changes. When you agree that the Purchase Order is correct and is in accordance with our bid, sign the acknowledgment copy, and return it to the Buyer promptly.

## Shipments

Make sure that your quotation covers your agreement on how your products will be packed and by what method they will be shipped. When you receive a Purchase Order, verify that it covers shipping instructions in accordance with your understanding and agreement. Read the 'Hawker Beechcraft Corporation Supplier Delivery Requirement Specification' (located in the Specifications section) to understand our packaging specifications and requirements.

Our Purchase Order will specify the correct shipping address for your products. Please make sure that you address your shipment in accordance with these instructions. It is important for you to understand that if your shipment is improperly packed resulting in damage, or your packing slip does not match the Purchase Order and item identification, or if it does not reach its destination because of incorrect addressing, the resultant delays will also delay payment of your invoice.

Accuracy in the performance of the total requirements of a Purchase Order is good business for both of our companies. It will also provide greater opportunities for greater profits.