

Dear Derco Supplier,

The Derco team would like to take the opportunity to thank you for your commitment and partnership as we deliver high-quality products on-time to our customers.

At Derco, we emphasize fair competition and are committed to dealing fairly with our suppliers. Our approach is to deal with our suppliers in a manner that avoids even the appearance of conflict between personal interests and those of the company. Therefore, like many companies, we have instituted a Code of Ethics and Business Conduct which is applicable to all Derco associates. This policy provides the means for us to maintain the conditions of impartiality and mutual respect necessary to a beneficial business relationship.

A key tenet of our Code of Ethics in regards to our relationships with suppliers is as follows: Procurement professionals are prohibited from accepting any cash or gifts. While certain business courtesies such as occasional business meals in conjunction with business meetings are permissible so long as they are not extravagant or frequent, and are intended to establish goodwill and successful business relations without being reasonably construed as an attempt to secure favorable treatment, such courtesies should be kept to a minimum.

Further, as a U.S. defense contractor, we take our policy very seriously and enforce it vigorously. To avoid any awkward situations or even more severe consequences, we ask that you please communicate our policy to all those in your company who have contact with Derco employees.

Our Code of Ethics is also accompanied by a Supplier Code of Conduct, both of which you need to become familiar with; those documents are located [here](#) and [here](#). Any questions can be directed to either your Buyer or Derco Ethics and Compliance Officer at mike.f.bartzen@lmco.com.

Sincerely,

Michael F. Bartzen
Ethics Officer
Derco, a Lockheed Martin Company