LOCKHEED MARTIN CORPORATION

CORPDOC 3A

LOCKHEED MARTIN

DEFENSE FEDERAL ACQUISITION REGULATION SUPPLEMENT (DFARS) FLOWDOWN PROVISIONS FOR SUBCONTRACTS/PURCHASE ORDERS FOR NON-COMMERCIAL ITEMS UNDER A U.S. GOVERNMENT PRIME CONTRACT

A. **INCORPORATION OF FARS and DFARS CLAUSES**
The Federal Acquisition Regulation (FAR) and Defense Federal Acquisition Regulation Supplement (DFARS) clauses referenced below are incorporated herein by reference, with the same force and effect as if they were given in full text, and are applicable, including any notes following the clause citation, to this Contract. If the date or substance of any of the clauses listed below is different than the date or substance of the clause actually incorporated in the Prime Contract referenced by number herein, the date or substance of the clause incorporated by said Prime Contract shall apply instead.

B. **GOVERNMENT SUBCONTRACT**
This Contract is entered into by the Parties in support of a U.S. Government contract.

As used in the clauses referenced below and otherwise in this Contract:

1. "CONTRACTOR" means the Seller, as defined in CORPDOC 3, acting as the immediate (first-tier) subcontractor to LOCKHEED MARTIN.

2. "Prime Contract" means the contract between LOCKHEED MARTIN and the U.S. Government or between LOCKHEED MARTIN and its higher-tier contractor who has a contract with the U.S. Government.

3. "Contract" means this contract.

4. "Subcontract" means any contract placed by the CONTRACTOR or lower-tier subcontractors under this Contract.

C. **NOTES**
1. Substitute "LOCKHEED MARTIN" for "Government" or "United States" as applicable throughout this clause.

2. Substitute "LOCKHEED MARTIN Purchasing Representative" for "Contracting Officer", "Administrative Contracting Officer", and "ACO" throughout this clause.

3. Insert "and LOCKHEED MARTIN" after "Government" throughout this clause.

4. Insert "or LOCKHEED MARTIN" after "Government" throughout this clause.

5. Communication/notification required under this clause from/to the CONTRACTOR to/from the Contracting Officer shall be through LOCKHEED MARTIN.

6. "Contracting Officer" shall mean the U.S. Government Contracting Officer for LOCKHEED MARTIN's government prime contract under which this Contract is entered.

D. **AMENDMENTS REQUIRED BY PRIME CONTRACT**
CONTRACTOR agrees that upon the request of LOCKHEED MARTIN it will negotiate in good faith with LOCKHEED MARTIN relative to amendments to this Contract to incorporate additional provisions herein or to change provisions hereof, as LOCKHEED MARTIN may reasonably deem necessary in order to comply with the provisions of the applicable Prime Contract or with the provisions of amendments to such Prime Contract. If any such amendment to this Contract causes an increase or decrease in the cost of, or the time required for, performance of any part of the work under this Contract, an equitable adjustment shall be made pursuant to the "Changes" Clause of this Contract.

E. **PRESERVATION OF THE GOVERNMENT'S RIGHTS**
If LOCKHEED MARTIN furnishes designs, drawings, special tooling, equipment, engineering data or other technical or proprietary information (Furnished Items) which the U. S. Government owns or has the right to authorize the use of, nothing herein shall be construed to mean that LOCKHEED MARTIN, acting on its own behalf, may modify or limit any rights the Government may have to authorize the CONTRACTOR's use of such Furnished Items in support of other U. S. Government prime contracts.

F. .**FAR FLOWDOWN CLAUSES**
    REFERENCE   TITLE

1. The following FAR Clauses are modified as indicated:

    52.245-17   SPECIAL TOOLING (APR 1984) (Applies in lieu of the DEC 1989 version. Applicable if the Contract involves the use of special tooling. See Note 2.)

G. **DoD FAR SUPPLEMENT (DFARS) FLOWDOWN CLAUSES**
    REFERENCE   TITLE

1. **The following DFARS clauses apply to this Contract :**
(a) 252.225-7009 DUTY-FREE ENTRY - QUALIFYING COUNTRY SUPPLIES (END-PRODUCTS AND COMPONENTS) (AUG 2000) (See Note 2.)

(b) 252.225-7010 DUTY-FREE ENTRY - ADDITIONAL PROVISIONS (AUG 2000)

CORPDOC 3A (11/01)

(c) 252.225-7014 PREFERENCE FOR DOMESTIC SPECIALTY METALS (MAR 1998) ALTERNATE I (MAR 1998) (Applicable if the Work to be furnished hereunder contains specialty metals.)

(d) 252.227-7013 RIGHTS IN TECHNICAL DATA - NON-COMMERCIAL ITEMS (NOV 1995) (Applicable in lieu of FAR 52.227-14.)

(e) 252.227-7014 RIGHTS IN NON-COMMERCIAL COMPUTER SOFTWARE AND NON-COMMERCIAL COMPUTER SOFTWARE DOCUMENTATION (JUN 1995)

(f) 252.227-7016 RIGHTS IN BID OR PROPOSAL INFORMATION (JUN 1995)

(g) 252.227-7019 VALIDATION OF ASSERTED RESTRICTIONS - COMPUTER SOFTWARE (JUN 1995)

(h) 252.227-7025 LIMITATIONS ON THE USE OR DISCLOSURE OF GOVERNMENT-FURNISHED INFORMATION MARKED WITH RESTRICTIVE LEGENDS (JUN 1995) (For subparagraph (c)(1) See Note 3.)

(i) 252.227-7026 DEFERRED DELIVERY OF TECHNICAL DATA OR COMPUTER SOFTWARE (APR 1988) (See Note 1.)

(j) 252.227-7027 DEFERRED ORDERING OF TECHNICAL DATA OR COMPUTER SOFTWARE (APR 1988) (See Note 4.)

(k) 252.227-7028 TECHNICAL DATA OR COMPUTER SOFTWARE PREVIOUSLY DELIVERED TO THE GOVERNMENT (JUNE 1995) (Inthis clause, the term "contract" and "subcontract" shall not change in meaning.)

(l) 252.227-7030 TECHNICAL DATA - WITHHOLDING OF PAYMENT (MAR 20000) (See Notes 1 and 2.)

(m) 252.227-7036 DECLARATION OF TECHNICAL DATA CONFORMITY (JAN 1997)

(n) 252.227-7037 VALIDATION OF RESTRICTIVE MARKINGS ON TECHNICAL DATA (SEP 1999)

(o) 252.228-7005 ACCIDENT REPORTING AND INVESTIGATION INVOLVING AIRCRAFT, MISSILES, AND SPACE LAUNCH VEHICLES (DEC 1991) (In subparagraph (a) see Note 5. In subparagraph (b) see Note 3.)

(p) 252.231-7000 SUPPLEMENTAL COST PRINCIPLES (DEC 1991)

(q) 252.243-7001 PRICING OF CONTRACT MODIFICATIONS (DEC 1991)

(r) 252.247-7024 NOTIFICATION OF TRANSPORTATION OF SUPPLIES BY SEA (MAR 2000) (See Note 2.)

2. **The following DFARS clause applies to this Contract if the value of this Contract equals or exceeds $100,000:**
(a) 252.203-7001 PROHIBITION ON PERSONS CONVICTED OF FRAUD OR OTHER DEFENSE CONTRACT-RELATED FELONIES (MAR 1999) (In this clause, the terms "contract," "contractor," and "subcontract" shall not change in meaning in paragraphs (a) thru (d). Delete paragraph g; See Note 2.)

(b) 252.209-7000 ACQUISITION FROM SUBCONTRACTORS SUBJECT TO ON-SITE INSPECTION UNDER THE INTERMEDIATE RANGE NUCLEAR FORCES (INF) TREATY (NOV 1995) (See Note 5.)

(c) 252.247-7023 TRANSPORTATION OF SUPPLIES BY SEA (MAR 2000) (Applicable in lieu of FAR 52.247-64 in all Contracts for ocean transportation of supplies. In paragraph (f) delete the reference to the "Prompt Payment" clause. See Notes 1, 2, except for paragraph (c) of the clause which shall retain its original meaning.)

3. **The following DFARS clauses apply to this Contract if the value of this Contract equals or exceeds $500,000:**
(a) 252.225-7026 REPORTING OF CONTRACT PERFORMANCE OUTSIDE THE UNITED STATES (JUN 2000) (Delete paragraph (c).)

(b) 252.249-7002 NOTIFICATION OF ANTICIPATED CONTRACT TERMINATION OR REDUCTION (DEC 1996) (See Note 2. Delete subparagraph (d) (1) and the first five words of subparagraph (d) (2).)

4. **The following DFARS clause applies to this Contract if the value of this Contract equals or exceeds $1,000,000:**
(a) 252.211-7000 ACQUISITION STREAMLINING (DEC 1991) (See Note 1.)

5. **The following DFARS clauses apply to this Contract only if the stipulation in the relevant parenthetical applies:**
(a) 252.215-7000 PRICING ADJUSTMENTS (DEC 1991) (Applicable if FAR 52.215-12 or 52.215-13 applies to this Contract.)

(b) 252.219-7003 SMALL, SMALL DISADVANTAGED AND WOMEN-OWNED SMALL BUSINESS SUBCONTRACTING PLAN (DoD CONTRACTS) (APR 1996) (Applicable if FAR 52.219-9 applies to this Contract; delete subparagraph (g).)

(c) 252.223-7001 HAZARD WARNING LABELS (DEC 1991) (Applicable if Contract requires the delivery of hazardous materials as defined in the Clause.)

(d) 252.223-7002 SAFETY PRECAUTIONS FOR AMMUNITION AND EXPLOSIVES (MAY 1994) (Applicable only if the articles furnished under the Contract contain ammunition or explosives, including liquid and solid propellants. See Notes 1, 3 and 5.)

(e) 252.223-7003 CHANGE IN PLACE OF PERFORMANCE - AMMUNITION AND EXPLOSIVES (DEC 1991) (Applicable if DFARS 252.223-7002 applies to this Contract. See Notes 2 and 4.)

(f) 252.223-7007 SAFEGUARDING SENSITIVE CONVENTIONAL ARMS, AMMUNITION, AND EXPLOSIVES (SEP 1999) (Applicable if this Contract is for the development, production, manufacture or purchase of arms, ammunition, and explosives or when arms, ammunition, and explosives will be provided to Contractor as Government Furnished Property.)

(g) 252.225-7007 BUY AMERICAN ACT-TRADE AGREEMENTS- BALANCE OF PAYMENTS PROGRAM (SEP 2001) (Applicable if the Work contains other than domestic components. Applicable in lieu of FAR 52.225-1 and FAR 52.225-5.)

(h) 252.225-7016 RESTRICTION ON ACQUISITION OF BALL AND ROLLER BEARINGS (DEC 2000) (Applicable if items supplied under this Contract contain ball or roller bearings. See Note 2.)

(i) 252.225-7032 WAIVER OF UNITED KINGDOM LEVIES (OCT 1992) (Applicable if this Contract is with a United Kingdom firm. See Note 2.)

(j) 252.225-7043 ANTI-TERRORISM/FORCE PROTECTION FOR DEFENSE CONTRACTORS OUTSIDE THE UNITED STATES (JUN 1998) (Applies where CONTRACTOR will be performing or traveling outside the U.S. under this Contract.)

(k) 252-226-7001 UTILIZATION OF INDIAN ORGANIZATIONS AND INDIAN-OWNED ECONOMIC ENTERPRISES-DOD CONTRACTS (SEP 2001) (This clause is applicable only when included in Lockheed Martin's prime contract and if the subcontract is more than $100,000; in E(1), "Contractor" shall mean Lockheed Martin;)

(l) 252.235-7003 FREQUENCY AUTHORIZATION (DEC 1991) (Applicable if this Contract requires developing, producing, constructing, testing, or operating a device requiring a frequency authorization. See Note 2.)

(m) 252.245-7001 REPORTS OF GOVERNMENT PROPERTY (MAY 1994) (Applicable if Government Property provided or acquired under this Contract. CONTRACTOR shall submit its required reports to LOCKHEED MARTIN, not later than October 10, notwithstanding anything to the contrary in this clause. See Note 5.)