

LOCKHEED MARTIN CORPORATION

PRIME SUPPLEMENTAL FLOWDOWN DOCUMENT (PSFD)

**ADDITIONAL TERMS AND CONDITIONS FOR SUBCONTRACTS/PURCHASE ORDERS
UNDER**

JSF LRIP 2

SECTION H - SPECIAL PURCHASE CONTRACT. Each document applies in its entirety.

In the event of a conflict between the version or date of a clause set forth in this document and the version or date of a clause set forth in the identified CorpDocs, the version or date of the clauses set forth in this document shall take precedence.

To the extent that any clause included in this PSFD is inapplicable to the performance of this Contract, the parties shall consider such clauses to be self-deleting and shall not impose any obligations upon the SELLER.

For purposes of this Section H, the following terms shall have the meanings set forth below:

(a) "Contract" means the instrument of contracting, such as "PO", "Purchase Order", or "Task Order", or other such type designation, including all referenced documents, exhibits and attachments. If these terms and conditions are incorporated into a "master" agreement that provides for releases, (in the form of a Purchase Order or other such document) the term "Contract" shall also mean the release document for the Work to be performed.

(b) "Government" means United States Government.

(c) "LOCKHEED MARTIN" means LOCKHEED MARTIN CORPORATION, acting through its companies or business units as identified on the face of this Contract. If a subsidiary or affiliate of LOCKHEED MARTIN CORPORATION is identified on the face of this Contract then "LOCKHEED MARTIN" means that subsidiary or affiliate.

(d) "PO" or "Purchase Order" means this Contract.

(e) "SELLER" means the party identified on the face of this Contract with whom LOCKHEED MARTIN is contracting.

H-1 PRESERVATION OF RIGHTS FOR INFORMATION PROVIDED ELECTRONICALLY

Information, whether delivered under any SDRL or Seller equivalent form of this Purchase Order or in response to Seller's Statement of Work provided via the JSF Virtual Enterprise that would be deemed Technical Data under DFARS 252.227-7013, "Rights In Technical Data—Noncommercial Items," or Software and Software Documentation under DFARS 252.227-7014, "Rights in Noncommercial Software and Noncommercial Software Documentation," if it were delivered in written form, shall not lose its status as technical data, software or software documentation solely because access by the Government or Lockheed Martin or delivery by the Seller is by electronic means. The rights of the parties shall be as specified in DFARS 252.227-7013 and DFARS 252.227-7014.

H-2 CONCURRENCY MANAGEMENT

(a) The JSF production effort in this LRIP Contract is occurring at the same time as, or concurrently with, the System Development and Demonstration (SDD) program. Due to this concurrency, the LRIP production configuration of the JSF Air System may evolve or change as the design matures and systems are tested and qualified during SDD development testing. LOCKHEED MARTIN, in its prime contract with the US Government, is responsible for incorporating concurrency related changes into the LRIP production Air Systems. The purpose of this clause is to describe SELLER'-4.6(etN)4(I)177s6(F)3.7.9(r)-4e7(E)2.3(L)2.<

The Seller is responsible for scheduling the use of all property covered by this clause and the Government shall not be responsible for Seller-caused conflicts, delays, or disruptions to any work performed by the Seller due to use of any or all such property, either under this contract or any other contracts under which use of such property is authorized.

(c) Government Furnished Property Provided "As Is":

The Government Furnished Items listed in (a) or (b), above, that are provided to the Seller in an "As-Is" condition pursuant to FAR 52.245-1 may be repaired or modified, to meet contractual requirements, as a direct cost to this contract, as defined in items (1) through (4), below.

- (1) If "As-Is" Government Furnished Items listed in (a) or (b), above, require refurbishment, the cost of which does not exceed 50% of acquisition cost, then Seller may proceed with refurbishment using contract funds and without obtaining Contracting Officer approval.
- (2) If refurbishment costs exceed 50% of acquisition cost, the Seller shall seek PCO authorization, through LOCKHEED MARTIN, prior to undertaking a repair.
- (3) Any repair or modification of these items shall not affect the title of the Government.
- (4) Any refurbishment of Government Furnished Items provided As-Is shall not negate the warranty. That is, the Government does not warrant the condition of these assets provided to the Seller.

H-8

B. Seller shall monitor and update its Information Security Assurance processes as necessary to ensure the data and information of Lockheed Martin, its subsidiaries, suppliers, teammates, contractors and agents, is and, during the term of this Purchase Order or for longer periods as may be specified in this