

LOCKHEED MARTIN CORPORATION

PRIME SUPPLEMENTAL FLOWDOWN DOCUMENT (PSFD)

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

F-35 / JSF LRIP 8 Production

(SF

DFARS 252.222-7006 - Restrictions on the Use of Mandatory Arbitration (Dec 2010)

(Applies to subcontracts for non-commercial items that exceed \$1,000,000. However, the clause does not apply if all of the Seller's employees performing work under the contract will be located outside of the United States.)

DFARS 252.223-7002 - Safety Precautions for Ammunition and Explosives (May 1994)

(Applies if this Contract involves non-commercial ammunition or explosive items. "Contracting Officer" means "Lockheed Martin" except in paragraph (c)(4) where it means "Contracting Officer" as it relates to government personnel. "Government" means "Lockheed Martin and the Government.")

DFARS 252.223-7003 - Change in Place of Performance—Ammunition and Explosives (Dec 1991)

(Applies if this Contract involves non-commercial ammunition or explosive items. "Contracting Officer" means "Lockheed Martin." "Government" means "Lockheed Martin and the Government.")

DFARS 252.223-7006 -

(Applicable only to contracts involving non-commercial items with United Kingdom suppliers to ensure the value added tax is not included in the total contract price).

(Applies if Seller is a United Kingdom firm. "This contract" means "the prime contract.")

DFARS 252.234-7002 - Earned Value Management System (May 2011) (Applies to cost reimbursement contracts. "Government" means "Lockheed Martin and Government." Paragraphs (i) and (j) are deleted.)

DFARS 252.239-7016 - Telecommunications Security Equipment, Devices, Techniques, and Services (Dec 1991) (Applies to contracts for non-commercial items requires securing telecommunications.)

DFARS 252.243-7002 – Request for Equitable Adjustment (Dec 2012)

(Applicable only to contracts for non-commercial items in excess of \$150,000. "Government" means "Lockheed Martin.")

DFARS 252.244-7000 - Subcontracts for Commercial Items and Commercial Components (Mar 2013)

DFARS 252.245-7001 - Tagging, Labeling and Marketing of GFP (April 2012)

(Applies to contracts where the items furnished by the contractor will be subject to serialized tracking, should the Statement of Work or another document in the solicitation identify such items subject to serialized tracking.)

DFARS 252.245-7004 - Reporting, Reutilization and Disposal (April 2012)

(Applicable to contracts involving items indicated in this DFAR clause only. "Contracting Officer" means Lockheed Martin.)

DFARS 252.246-7007 Contractor Counterfeit Electronic Part Detection and Avoidance System (MAY 2014) Paragraph (6) is modified: "Contracting Officer" shall mean "Lockheed Martin".

NAVAIR 5252.247-9508 - Prohibited Packaging Materials (June 1998)

(Applies if the Seller is shipping non-commercial items directly to USG)

NAVAIR 5252.247-9509 - Preservation, Packaging, Packing and Marking (Jul 1998) (Applies if the Seller is shipping non-commercial items directly to USG.)

NAVAIR 5252.247-9510 - Preservation, Packaging, Packing and Marking for Foreign Military Sales Requirements (Oct 2005)

(Applies if the Seller is shipping non-commercial items directly to USG).

PART 3. The following DFARS and other Agency clauses are incorporated into the contract in full-text:

252.229-7003 TAX EXEMPTIONS (ITALY) (MAR 2012) (Applicable to work performed with respect to CLIN 1010; otherwise the following clause is inapplicable.)

(a) The Seller represents that the contract price, including the prices in subcontracts awarded under this contract, does not include taxes from which the United States Government is exempt.

(b) The United States Government is exempt from payment of Imposta Valore Aggiunto (IVA) tax in accordance with Article 72 of the IVA implementing decree on all supplies and services sold to United States Military Commands in Italy.

(1) The Seller shall include the following information on invoices submitted to LOCKHEED MARTIN:

(i) The contract number.

(ii) The IVA tax exemption claimed pursuant to Article 72 of Decree Law 633, dated October 26, 1972.

(iii) The following fiscal code(s): 80156020630 for Navy

91000190933 for Air Force

(2)(i) Upon receipt of the invoice, the paying office will include the following certification on one copy of the invoice:

“I certify that this invoice is true and correct and reflects expenditures made in Italy for the Common Defense by the United States Government pursuant to international agreements.

(6) Imposta di Registro (Registration Tax).

(7) Imposta di Bollo (Stamp Tax).

5252.204-9504 DISCLOSURE OF CONTRACT INFORMATION (NAVAIR) (JAN 2007) - VARIATION (Applicable to all contracts)

(a) The Seller shall not release to anyone outside the Seller's organization any information (e.g., announcement of contract award), regardless of medium (e.g., film, tape, document), pertaining to any part of this contract or any effort directly related to the F-35 Lightning II Joint Strike Fighter (JSF) Program unless—

- (1) The JSFPO has given prior written approval through LOCKHEED MARTIN;
- (2) The information is otherwise in the public domain before the date of release; or
- (3)

(c) Standard Workman's Compensation and Employer's Liability Insurance (or, where maritime employment is involved, Longshoremen's and Harbor Worker's Compensation Insurance) in the minimum amount of \$100,000.

(d) Aircraft public and passenger liability: \$200,000 per person and \$500,000 per occurrence for bodily injury, other than passenger liability; \$200,000 per occurrence for property damage. Passenger bodily injury liability minimum coverage of \$200,000 per passenger, multiplied by the number of seats or number of passengers, whichever is greater.

H-18 WORK SHARE AGREEMENTS

The Seller shall not enter into any new work share agreements with any subcontractors that specify that a subcontractor will receive a certain amount of business based solely on a dollar amount or percentage of contract or program cost as of the effective date of this contract.

H-24 5252.246-9526 PROVISIONAL ACCEPTANCE UNDER SPECIAL CONDITIONS (NAVAIR) (OCT 2005)

(a) Acceptance under Special Conditions. LOCKHEED MARTIN may finally or provisionally accept any supply prior to completion of work on such supply in the following situations:

(1) When the Seller, despite the exercise of due diligence, encounters unavoidable delay in securing Seller furnished property;

(2) When LOCKHEED MARTIN-furnished property suitable for installation in any supply to be furnished hereunder is not delivered to the Seller in sufficient time to permit installation by the Seller prior to the date the supply is scheduled for delivery; or,

(3) When defects or deficiencies are known to exist in the supply, but when correction of the defects or deficiencies is not practicable within the delivery schedule set forth in the contract.

(b) Pending completion of any supply provisionally accepted under this provision, LOCKHEED MARTIN shall withhold an amount from the contract price that represents the estimated value of the work remaining to be performed. The withhold will be released after final acceptance.

H-11 5252.227-9511



LOCKHEED MARTIN. The Seller is required to provide full cooperation, reasonable working facilities and access to the ISC for the purposes stated in paragraph (a) above.

(c) Since the ISC is neither an employee nor agent of the Government or Lockheed Martin, any findings, recommendations, analyses, or conclusions of such a contractor are not those of the Government or Lockheed Martin.

(d) The Seller acknowledges that the Government has the right to use ISCs as stated in paragraph (a) above. It is possible that under such an arrangement the ISC may require access to or the use of information, which is proprietary to the Seller in addition to third party proprietary data that the prime contractor is authorized to disclose.

(e) To protect any such proprietary information from unauthorized disclosure or use, and to establish the respective rights and duties of both the ISC and prime contractor, the Seller agrees to enter into a direct agreement with any ISC as the Government requires. The ISC will be responsible for initiating contact with the Seller sufficiently in advance of any work that may require facility access, cooperation from Seller, or access to proprietary information belonging to the Seller or to third parties who may have authorized the Seller to disclose such data to enable the Seller to arrange for such access and cooperation and to obtain the necessary agreements. A properly executed copy of the agreement will be provided to the Government through Lockheed Martin.