

LOCKHEED MARTIN AERONAUTICS COMPANY
PRIME SUPPLEMENTAL FLOWDOWN DOCUMENT (PSFD)

ADDITIONAL TERMS AND CONDITIONS

FOR SUBCONTRACTS/PURCHASE ORDERS UNDER

Contract Number: N00019-17-R-0034

FY18_19 Annualized

Generated using Lockheed Martin CorpDocs 2017 Version

July 6, 2017

Original

The Terms and Conditions listed below are incorporated by reference and made a part of this Contract. Unless otherwise limited in this 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 document is inapplicable to the performance of this Contract, the parties shall consider such clauses to be self-deleting and they shall not impose any obligations upon SELLER.

PART I. DELETIONS: The following clauses are deleted in their entirety from the applicable

FAR 52.222-42 STATEMENT OF EQUIVALENT RATES FOR FEDERAL HIRES (MAY 2014)
(Applies if this subcontract is subject to FAR 52.222-41. The information contained in the blanks of this clause is specified elsewhere in this contract.)

FAR 52.222-62 PAID SICK LEAVE UNDER EXECUTIVE ORDER 13706 (JAN 2017) (Applies if this contract is subject to the Service Contract Labor Standards statute or the Wage Rate Requirements (Construction) statute, and are to be performed in whole or in part in the United States.)

FAR 52.228-3 Workers' Compensation Insurance (Defense Base Act) (APR 1984) (Applies if Seller will perform work subject to the Defense Base Act 42 U.S.C. 1651 et seq.)

FAR 52.228-4 Workers' Compensation and War-Hazard Insurance Overseas (APR 1984)

FAR 52.229-8 Taxes -- Foreign Cost-Reimbursement Contracts (MAR 1990) (In paragraph (b),

DFARS 252.225-7027 RESTRICTION ON CONTINGENT FEES FOR FOREIGN MILITARY SALES (APR 2003) (The reference to the clause in paragraph (a) means FAR 52.203-5. The blank in paragraph (b)(1) is completed with "any Government." Subparagraph (b)(2) is deleted.)

DFARS 252.225-7028 EXCLUSIONARY POLICIES AND PRACTICES OF FOREIGN GOVERNMENTS (APR 2003) (Not applicable to Commercial Items as defined in FAR 2.101.)

DFARS 252.225-7040 CONTRACTOR PERSONNEL SUPPORTING U.S. ARMED FORCES DEPLOYED OUTSIDE THE UNITED STATES (AUG 2015) (Applies if Seller will deploy persons or otherwise provide support in the theater of operations to U.S. military forces deployed outside the United States. Communications with the Contracting Officer shall be made through Lockheed Martin.)

DFARS 252.228-7001 GROUND AND FLIGHT RISK (JUN 2010) (In paragraph (a)(1)(i) "this contract" means "the prime contract." The following is added at the beginning of the clause: "Communications between Seller and the Government shall be made through Lockheed Martin. Any equitable adjustment provided for this clause shall be implemented in this contract to the extent such adjustment is implemented in the prime contract." Subparagraphs (d)(2)(ii), (d)(3)(ii) and the last sentence of subparagraph (j)(2) are deleted. Not applicable to Commercial Items as defined in FAR 2.101.)

DFARS 252.229-7003 TAX EXEMPTIONS - ITALY (MAR 2012) (The blank in paragraph (b) is completed with ____TBD_.) (Applies to subcontracts where work will be performed in Italy. Not applicable to Commercial Items as defined in FAR 2.101.)

DFARS 252.229-7006 VALUE ADDED TAX EXCLUSION (UNITED KINGDOM) (DEC 2011) (Applies if Seller is a United Kingdom firm. "This contract" means "the prime contract." Not applicable to Commercial Items as defined in FAR 2.101.)

DFARS 252.234-7002 EARNED VALUE MANAGEMENT SYSTEM (MAY 2011) (Applies to cost or incentive contracts valued at \$20,000,000 or more. "Government" means "Lockheed Martin and Government." Paragraphs (i) and (j) are deleted. Does not apply for Commercial Items as defined in FAR 2.101)

DFARS 252.234-7004 COST AND SOFTWARE DATA REPORTING SYSTEM (NOV 2010) (Applies to contracts that exceed \$50 million. In paragraph (b), "Government" means Lockheed Martin. Does not apply for Commercial Items as defined in FAR 2.101)

DFARS 252.237-7023 CONTINUATION OF ESSENTIAL CONTRACTOR SERVICES (OCT 2010) ("Contracting Officer" means Lockheed Martin. The term "Government" includes Lockheed Martin.) (Applies to all subcontracts for mission essential services.)

DFARS 252.239-7001 INFORMATION ASSURANCE CONTRACTOR TRAINING AND CERTIFICATION (JAN 2008) (Applies to all subcontracts where subcontractor personnel will access DoD information systems)

DFARS 252.239-7016 TELECOMMUNICATIONS SECURITY EQUIPMENT, DEVICES, TECHNIQUES, AND SERVICES (DEC 1991) (Applies if this contract requires securing telecommunications. Does not apply for Commercial Items as defined in FAR 2.101)

DFARS 252.243-7002 REQUESTS FOR EQUITABLE ADJUSTMENT (DEC 2012) ("Government" means "Lockheed Martin.") (Applicable to subcontracts exceeding \$150,000. Does not apply for Commercial Items as defined in FAR 2.101)

DFARS 252.245-7001 TAGGING, LABELING, AND MARKING OF GOVERNMENT-FURNISHED PROPERTY (APR 2012) (Applies to subcontracts where the items furnished by the subcontractor will be subject to serialized tracking.)

DFARS 252.245-7004 REPORTING, REUTILIZATION, AND DISPOSAL (MAY 2013) ("Contracting Officer" means Lockheed Martin.) (Applies to subcontracts where government property is located at supplier facilities.)

NAVAIR 5252.204-9504 DISCLOSURE OF CONTRACT INFORMATION (NAVAIR) (JAN 2007) (Communications with the Contracting Officer shall be made through Lockheed Martin. In paragraph (b), 10 days is changed to 20 days.)

(a) The Contractor shall not release to anyone outside the Contractor's organization any unclassified information (e.g., announcement of contract award), regardless of medium (e.g., film, tape, document), pertaining to any part of this contract or any program related to this contract, unless the Contracting Officer has given prior written approval.

(b) Requests for approval shall identify the specific information to be released, the medium to be used, and the purpose for the release. The Contractor shall submit its request to the Contracting Officer at least ten (10) days before the proposed date for release.

(c) The Contractor agrees to include a similar requirement in each subcontract under this contract. Subcontractors shall submit requests for authorization to release through the prime contractor to the Contracting Officer.

NAVAIR 5252.247-9508 PROHIBITED PACKING MATERIALS (JUN 1998) (Applies if Seller will make shipments under this contract directly to the Government.)

The use of asbestos, excelsior, newspaper or shredded paper (all types including waxed paper, computer paper and similar hydroscopic or non-neutral material) is prohibited. In addition, loose fill polystyrene is prohibited for shipboard use.

NAVAIR 5252.247-9509 PRESERVATION, PACKAGING, PACKING AND MARKING (JUL 1998) (Applies if Seller will make shipments under this contract directly to the Government. In subparagraph (b), "Contract Number" means "Lockheed Martin's prime contract number and the number assigned to this contract.")

(a) Preservation, packaging and packing shall conform to

completed Commercial Bill of Lading which includes, but is not limited to, the mode of shipment, routing, special handling, and so forth.

(d) If the contractor is required to install equipment upon delivery, then the contractor shall inform the Government of the date of shipment from the contractor's facilities and the anticipated date of arrival at the site. This report shall be made no later than the actual date that the shipment is made from the contractor's facilities. The report may be made by facsimile or e-mail, to the point of contact listed in Section G. All transportation, rigging, drayage, packing, unpacking, and handling necessary to accomplish the installation shall be the responsibility of the contractor.

NAVAIR 5252.247-9510 PRESERVATION, PACKAGING, PACKING AND MARKING FOR FOREIGN MILITARY SALES (FMS) REQUIREMENTS (NAVAIR) (OCT 2005) (Applies if Seller will make shipments under this contract directly to the Government.)

(a) Unless specified elsewhere in the contract, packing and packaging shall comply with MIL-STD-129. Packing and packaging materials shall provide protection from abuse during handling and from environmental, magnetic, and electrical damage during handling and subsequent future storage, possibly under less than desirable conditions.

(b) Marking: All unit and exterior containers/packs shall as a minimum be marked as follows:

(1) FMS Case Number.

(2) Part Number (with CAGE Code).

(3) For - the organization/address the material is shipped to.

(4) The applicable MILSTRIP number (identified separately for each line item of the contract/delivery order)

(5) Project Code number.

(6) Project Directive Line Item (PDLI) Number.

(7) Requisition Serial Number (RSN).

(8) Quantity.

(9) From - the contractor's address shipped from.

(10) Ship to - the shipping address provided in the contract.

(11) Transportation Priority

(12) Required Delivery Date

H-15 Taxes and Duties

(a) The contract prices include all applicable taxes and duties, as defined in FAR 52.229-6, Taxes-Foreign Fixed-Price Contracts (FEB 2013) and FAR 52.229-8, Taxes-Foreign Cost-Reimbursement Contracts (MAR 1990), except for:

(1) Customs duties, import and export taxes, and similar charges imposed by Participants to the Joint Strike Fighter Production, Sustainment, and Follow-On Development Memorandum of Understanding (MOU) or Foreign Military Sales (FMS) customer of the F-35 Lightning II program;

(2) Value Added Taxes (VAT) or consumption taxes, imposed by the Country Concerned, as defined in FAR 52.229-6 and 52.229-8, on goods or services delivered in the Country Concerned under this contract.

(b) If theses

H-20 LIABILITY INSURANCE (NAVAIR 5252.228-9501) (MAR 1999) (Applies if Seller will be performing work on a Government installation.)

The following types of insurance are required in accordance with the clause entitled, "FAR 52.228-7, "Insurance--Liability to Third Persons" and shall be maintained in the minimum amounts shown:

- (a) Comprehensive General Liability: \$200,000 per person and \$500,000 per accident for bodily injury.
- (b) Automobile Insurance: \$200,000 per person and \$500,000 per accident for bodily injury and \$500,000 per accident for property damage.
- (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 limits of \$200,000 per passenger, multiplied by the number of seats or number of passengers, whichever is greater.

H-22 5252.232-9509 TRAVEL APPROVAL AND REIMBURSEMENT PROCEDURES (NAVAIR)(OCT 2013) (Applies to subcontracts that will provide for reimbursement of travel and other costs covered by this clause.)

- (a) General. Performance under this contract may require travel by Contractor personnel. If travel,

(b-5()-1.96()10.T(w)8.3(r)-2(av)12.9(el)-7-1()-6.p(d)p(o)12.8(r)-1.(o)2(v)18((al)-2.9(P)2.6(r

(3) For purposes of reimbursement of travel expenses, the Contractor's official station is defined as within 50 miles of the Contractor's regular work site. (If Contractor has more than one regular work site, the official station is defined as within 50 miles of each of its regular work sites.)

(4) The Contractor's documentation for the reimbursement of travel costs (e.g., receipts) shall be governed as set forth in FAR Subpart 31.2, the FTR, and the JTR.

(5) Car Rental for a team on temporary duty (TDY) at one site will be allowed provided that only one car is rented for every four (4) members of the TDY team. In the event that less than four (4)

persTw 15.014p-4(s)-2.3(2[7002 of.y2(t)-4a)1(e)-12n Fl8..2(tD [(8) o f)-2(o)12.tca.6(i)8.3(o)2s (asTw 15.098