

1. Definitions

As used herein "Buyer" means Lockheed Martin Corporation acting through its

3. Variation in Quantity

Items shall not be supplied in excess of quantities specified herein, except for allowed shipping tolerances, if any. Seller shall be liable for handling charges and return shipment costs for any excess quantities; and, unless Seller agrees to pay and does pay such charges and costs within a reasonable time, the over-shipped material will be retained by Buyer at no cost and shall become the property of Buyer.

4. Prices

Unless otherwise specified, prices are F.O.B. origin (Place of Shipment) and shall include all applicable federal, state and local taxes, duties, tariffs, and other fees imposed by any government. The price includes all charges for boxing, packing, crating, drayage, storage, dunnage, and bundling. Seller warrants that prices charged for Items are not higher than those charged to any other customer, including the Government, for items of like grade and quality in similar or lesser quantities.

5. Invoices and Payments

Unless otherwise provided, terms of payment shall be Net 30 days from the latest of the following:

- (a) Buyer's receipt of Seller's correct invoice,
- (b) Scheduled delivery date, or scheduled completion of performance of the Items;
or
- (c) Actual delivery, or completion of performance of the Items.

Buyer shall have a right of setoff against payments due under this PO for any amounts at issue under this PO and/or under other purchase orders between Buyer and Seller.

6. Warranty

- (a) Seller warrants for a period of one year from the date of delivery under this PO that all Items shall be free from defects in material and workmanship and shall conform to applicable specifications, drawings and all other requirements of this PO. If Seller is responsible for the design of the Items, Seller warrants for such period that all Items delivered under this PO shall be free from defect in design, and if Seller is responsible for designing the Items to meet specified performance requirements of Buyer, Seller warrants for such period that all such Items shall be fit and sufficient for the purposes intended by Buyer.

Buyer's approval of designs furnished by Seller shall not relieve Seller of its obligations under this warranty. Seller's warranties, together with its service guarantees, if any, shall run to Buyer and its customers.

- (b) In the event of a breach of any warranty hereinabove set forth, Buyer may require Seller to repair or replace at Buyer's election defective or nonconforming Items. Seller shall be liable for the payment of all packing and transportation costs attributable to the repair or replacement of defective or nonconforming Items.
- (c) If the Items delivered under this PO are, or are to be, incorporated in an end item(s) to be delivered to Buyer's customer(s), Seller's obligation under this clause shall be extended to one year after delivery of such end item(s) to such customer(s).
- (d) The rights and remedies of Buyer provided in this clause shall not be exclusive and are in addition to any other rights and remedies provided at law, in equity, or under this PO.

7. Compliance with Laws and Self-Certification

- (a) Seller shall comply with the applicable provisions of all Federal, state, and local laws and ordinances and all lawful orders, rules and regulations promulgated thereunder including without limitation the Arms Export Control Act.
- (b) Seller warrants that each chemical substance constituting or contained in Items sold or otherwise transferred to Buyer hereunder is on the list of chemical substances compiled and published by the Administrator of the Environmental Protection Administration pursuant to The Toxic Substances Control Act (15 U.S.C. Sec. 2601 et seq.) as amended.
- (c) Seller shall provide to Buyer with each delivery any Material Safety Data Sheet applicable to the Items and containing such information as required by the Occupational Safety and Health Act of 1970 and regulations promulgated thereunder.

incorporated by reference in any Contract, agreement, other contractual document or any quotation, request for quotation (oral or written), request for proposal or solicitation (oral or written), issued by Buyer. Seller shall immediately notify Buyer of any change of status with regard to these certifications and representations.

The following provisions and clauses of the Federal Acquisition Regulation (FAR) are incorporated herein by reference, with the same force and effect as if they were given in full text, and are applicable to any order, agreement, or

- (c) CONTRACTOR will include the language of this certification in all subcontracts at any tier and require that all recipients of subcontract awards in excess of \$100,000 shall certify and disclose accordingly.
- (d) Submission of this certification and disclosure is a prerequisite for making or entering into a contract as imposed by section 1352, title 31, United States Code. Any person who makes an expenditure prohibited under this provision or who fails to file or amend the disclosure form to be filed or amended by this provision, shall be subject to a civil penalty of not less than \$10,000, and not more than \$100,000, for each such failure.

(2)

- (a) OFFEROR certifies, to the best of its knowledge and belief, that OFFEROR and/or any of its Principals (as defined in FAR 52.209-5) are not presently debarred, suspended, proposed for debarment, or declared ineligible for the award of contracts by any Federal agency.
- (b) OFFEROR shall provide immediate written notice to Buyer if, any time prior to award of any contract, it learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.

(3)

OFFEROR represents that if OFFEROR has participated in a previous contract or subcontract subject to the Equal Opportunity clause (FAR 52.222-26), (i) OFFEROR has filed all required compliance reports and (ii) representations indicating submission of required compliance reports, signed by proposed subcontractors, will be obtained before subcontract awards.

(4)

OFFEROR represents that (1) OFFEROR has developed and has on file at each establishment, affirmative action programs required by the rules and regulations of the Secretary of Labor (41 CFR 60-1 and 60-2), or (2) in the event such a program does not presently exist, OFFEROR will develop and place in operation such a written Affirmative Action Compliance Program within 120 days from the award of this Contract.

- (6) (Applicable to competitive solicit

Rico, Guam, American Samoa, the United States Virgin Islands, the Northern Mariana Islands, or any other territory or possession over which the United States has jurisdiction.

8. Responsibility for Property

Unless otherwise specified, Seller shall be liable for any loss or destruction of or damage to property of Buyer, and Seller shall be responsible for returning any such property in as good condition as when received except for reasonable wear and tear and for the utilization of it in accordance with the provisions of this PO. Upon request of Buyer, such property will be delivered to Buyer at Seller's expense. Seller shall promptly notify Buyer if such property is lost, destroyed or damaged. Title thereto shall not be affected by the incorporation or attachment to any property not owned by Buyer, nor shall any such property, or any part thereof, be or become a fixture or lose its identity as personalty by reason of affixation to any realty. All property of Buyer furnished hereunder to Seller shall be used solely in the performance of this PO unless otherwise specified in writing by Buyer.

9. Special Tooling and Special Test Equipment

Except as may be otherwise provided for in this PO, jigs, dies, fixtures, molds, patterns, special gages, and other items of special tooling (including software) and special test equipment, shall be furnished by and at the expense of Seller. Special tooling and test equipment shall be kept in good condition by Seller and replaced as necessary by Seller, without expense to Buyer. Title to special tooling and test equipment shall remain in Seller, except that Buyer may, at any time, reimburse Seller for the cost of part or of all special tooling and test equipment, and upon payment therefor shall become the sole owner thereof. Buyer shall at all times have unrestricted access to all such tooling, equipment, and information pertinent thereto for purposes of quality control, evaluation and verification. This paragraph shall not apply to special tooling or special test equipment (as those terms are defined in clauses incorporated by reference in clause 36) that is either provided by the Government or is acquired or fabricated for the Government pursuant to the clauses incorporated by reference in clause 36.

10. Use of Data Furnished by Buyer

The information contained in reports, drawings, documents or other records ("Information") which are furnished to Seller by Buyer relative to this PO, to the extent that such information is not in the public domain, shall not be disclosed to others, except to subcontractors as necessary for completion of this PO, in which event the subcontractors shall have the same obligation of nondisclosure and restriction on use. Such information shall not be used or reproduced for any purpose whatsoever except in the performance of work under this PO. Upon completion, termination or cancellation of this PO, Seller shall, if requested by Buyer, return all property to Buyer thirty (30) days after the effective date of such completion,

termination or cancellation. All such Information furnished to Seller by Buyer and retained by Seller shall remain subject to the foregoing restrictions on use, reproduction and disclosure.

11. Patents, Copyrights, Mask Works and Trade Secrets

7013 and DFARS 252.227-7015, and the Government will pay any portion of development costs, then DFARS 252.227-7015 will not be incorporated into this PO. The date of each clause thus incorporated in this PO shall be the date of the clause in the prime contract as of the date of this PO. Seller acknowledges it has been provided the opportunity to examine the clauses thus incorporated in this PO, and is familiar with such incorporated clauses.

- (2) Seller agrees to comply with clauses thus incorporated in this PO as the "Contractor." Seller further agrees that, except to the extent Buyer's rights are limited by the terms of an incorporated clause, the rights of the Government in such clauses may also be exercised by or through Buyer, as required in connection with the performance of the prime contract, and "Government" in such clauses shall be so construed. In DFARS clause 252.227-7013, "Contract No." means the prime contract(s) under which this PO is issued and, in the Government Purpose Rights legend and Limited Rights legend, the entries for "Contractor" name and address shall be identified as "Prime Contractor" and shall mean "Buyer" name and address; Seller shall also include an entry for "Subcontractor" name and address, which shall mean "Seller." In DFARS clause 252.227-7014, "Contract No." means the prime contract(s) under which this PO is issued and, in the Government Purpose Rights legend and Restricted Rights legend, the entries for "Contractor" name and address shall be identified as "Prime Contractor" and shall mean "Buyer" name and address; Seller shall also include an entry for "Subcontractor" name and address, which shall mean "Seller."
 - (3) If this PO is for other than experimental, developmental, or research work, the "Patent Rights-Retention by Contractor" clauses do not apply to Seller.
 - (4) When, and to the extent, that the clause at DFARS 252.227-7025 entitled, "Limitations on the Use or Disclosure of Government-Furnished Information Marked with Restrictive Legends," is applicable to this PO, the term "Government" in paragraph (c)(1) of such clause means Government and Buyer.
- (b) Minimum Rights in Data, Computer Software, and Computer Software Documentation.

Rights in technical data, computer software, and computer software documentation shall be as specified in the clauses incorporated by reference through subparagraph (a) or as specified elsewhere in this PO. If, however, neither the clauses incorporated by reference through subparagraph (a) nor other provisions of this PO address the rights to be provided by Seller as to particular technical data, computer software, or computer software

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documentation, then such technical data, computer software, and computer software documentation furnished by Seller under this PO shall be, at a

14. Amendments Required by the Prime Contract

Seller agrees that upon Buyer's request, it will from time to time enter into amendments of this PO to incorporate additional provisions herein or to change the provisions hereof, as Buyer may reasonably deem necessary in order to comply with the provisions of the prime contract(s) or with the provisions of amendments to the prime contract(s) under which this PO is issued. If any such amendment to this PO causes an increase or decrease in the cost of this PO, or the time required for performance of this PO, an equitable adjustment shall be made in the price or delivery schedule, or both, in accordance with the provisions of this PO's "Changes" clause.

15. Remedies/Waiver

- (a) The rights and remedies provided herein shall be cumulative and in addition to any other rights and remedies provided at law or in equity.
- (b) Failure by Buyer either to enforce at any time the provisions hereof or to protest at any time any breach or default hereof shall not be construed as evidence to interpret the requirements of this PO, nor as a waiver of the requirements of such provisions, nor of the right of Buyer thereafter to enforce each and every such provision. Buyer's approval of documents shall not relieve Seller from compliance with specifications related to this PO.

16. Assignment

Seller shall not assign any of its rights under this PO without the prior written consent of Buyer, except that claims for monies due or to become due under this PO may be assigned by Seller without such consent to a bank, trust company or other financing institution.

18. Rescission, Adjustment or Termination for Illegal or Improper Activity

- (a) In the event the Government takes action pursuant to FAR 52.203-8 entitled "Cancellation, Rescission, and Recovery of Funds for Illegal or Improper Activity" to cancel the solicitation or rescind the prime contract to which this PO relates, and such action results from Seller's violation of subsection (a), (b), (c) or (d) of section 27 of the Office of Federal Procurement Policy Act (41. U.S.C. 423) ("the Act"), as amended by section 4304 of the National Defense Authorization Act for Fiscal Year 1996 (Pub. L. 104-106), (1) rescind this PO; (2) recover from Seller all amounts paid by Buyer to Seller in connection with this PO; (3)

(b)

In the event the Government terminates for default any of Buyer's prime contracts under which this PO is issued, as a result of Seller's violation of the Act, Buyer shall have the right to terminate this PO for default in whole or in part.

- (c) Buyer's rights and remedies under this clause shall be in addition to any other rights and remedies provided by law, regulation, or under this PO.

19. Consideration

Seller shall, for the consideration hereinafter mentioned and within the time specified, accomplish all required services, testing, manufacturing and other work; deliver to Buyer the Items provided for in this PO; and grant to Buyer the right to exercise the options, if any, provided for in this PO.

20. Technical Surveillance

Buyer and authorized representatives of Buyer's customers shall have direct access to all areas of Seller's and Seller's subcontractors' plants where work is being performed in connection with any Item to be delivered under this PO, to review progress and witness testing of such Items. Seller shall include this clause in all of Seller's subcontracts under this PO.

21. Governing Law

This PO shall be construed, interpreted and applied in accordance with the Federal law of Government contracts as enunciated and applied by Federal judicial bodies and boards of contract appeals. To the extent that the

and shipping labels. Seller shall combine on the same bill of lading, all shipments consigned to the same Buyer address and shall ship on the same day. No C.O.D. (Collect on Delivery) shipments will be received by Buyer. There shall be no deviation from these routing instructions unless such deviation is approved prior to shipping by Buyer's Authorized Procurement Representative or Buyer's Traffic Department.

- (e) No material or supplies purchased, manufactured or otherwise acquired for use in the performance of or to be delivered under this PO shall be transported on vessels, aircraft or other carriers leased to or from, owned, operated, or controlled by any prohibited country identified in the International Traffic in Arms Regulations ("ITAR"), 22 CFR 126.

No vessels, aircraft, or other carrier, while carrying any such material or supplies, shall make an enroute stop in any prohibited country identified in the ITAR, 22 CFR 126. Seller shall insert the provisions of this paragraph (e) in all subcontracts hereunder.

24. Public Release of Information

No public release (including, without limitation, news releases, articles, manuscripts, brochures, advertisements, still and motion pictures, speeches, trade association meetings, symposia, photographs, films, announcements, discussions, denials or confirmations of same) regarding any part of the subject matter of this PO or any phase of any program hereunder shall be made without the prior written approval of Buyer. Seller agrees that for every instance, if any, where Buyer provides such prior written approval, Seller, in any resulting release, shall include information, if any, provided by Buyer stating which Government agency sponsors or sponsored the related project or effort.

25. Disputes

Except as otherwise provided in this PO, Buyer and Seller shall have the right to redress any dispute arising under or related to this PO, which is not disposed of by agreement, by pursuing any right or remedy which Buyer or Seller, as the case may be, may have at law, or in equity, or under this PO in any United States court of competent jurisdiction. Pending resolution of any dispute, Seller shall proceed diligently with the performance of work, including the delivery of Items in accordance with Buyer's direction. Upon resolution of any such dispute, this PO shall be equitably adjusted, if necessary, to reflect such resolution.

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necessary US export licenses are obtained prior to the transfer of any defense articles, technical data or other information to the prospective lower-tier subcontractor.

- (d) No subcontract placed under this contract shall provide for payment on a cost-plus-a-percentage-of-cost basis, and any fee payable under cost-reimbursement type subcontracts shall not exceed the fee limitations in paragraph 15.404-4(c)(4)(i) of the Federal Acquisition Regulation (FAR).

34. Indemnity/Commercial Items

This clause applies only to the portion, if any, of this PO that is for the purchase of a commercial item(s) as such term - "Commercial item" - is defined at FAR 2.101. In the event Buyer is subject to any liability, damage, or expense, including without limitation, Government withholding of payments, due to a finding or determination by

Note:

52.203-6

Applies if this PO exceeds \$100,000. For the acquisition of commercial items, use the clause with its Alternate I.

52.203-7

Applies if this PO exceeds \$100,000. Delete paragraph (c)(1). In paragraph (c)(2), sentence two, insert "Buyer and to" after the sixth word "to." In paragraph (c)(3), insert "Buyer and" after the sixth word "with." Add the following to the end of paragraph (c)(4): "In addition to any other remedies which the Buyer has at law, in equity, or under this PO,

52.203-8

52 203-10

52.203-12

Applies if this PO exceeds \$100,000. Change the beginning of paragraphs c(1) and c(2) to read: "Seller shall file with Buyer a disclosure form..." and "such person" means Seller.

52.204-2

Applies if access to classified material is required.

52.211-5***

In paragraphs (d) and (e), "Contractor" shall mean "Seller" and "Contracting Officer" shall mean "Buyer."

52.211-15

52.215-2***

Applies if this contract exceeds \$100,000 and if (1) this is a cost-reimbursement, incentive, time and

materials or price-redeterminable contract, (2) if Seller was required to furnish cost or pricing data, or (3) this contract requires Seller to furnish cost, funding or performance reports. Alternate II applies if Seller is an educational institution or non-profit institution.

52.215-10

In paragraph (a)(2), "subcontractor" means Seller or Seller's subcontractors, and "Contractor" means Buyer. If Buyer is subject to any liability or expense, including without limitation Government withholding of payments, as the result of (1) Seller's or its lower-tier subcontractors' submission and/or certification of alleged or actual defective cost or pricing data, as set forth in this clause and in FAR 52.215-11 or (2) their furnishing, as prospective subcontractors, alleged or actual defective cost or pricing data, which data was certified or required to be certified by Buyer to be accurate, complete and current as of the date specified by Buyer in its Certificate of Current Cost or Pricing Data, and which data Seller was given timely notice by Buyer to furnish and/or update prior to such date specified in such certificate; or (3) the Government Contracting Officer's rejection of Seller's or Seller's lower-tier subcontractor's claim for exception from submission of certified cost or pricing data any basis set forth in FAR 15.403-1, or other pertinent law or regulation; or (4) their furnishing data of any description that is allegedly or actually inaccurate as set forth in this clause and in FAR (or 52.215-11, 52.215-12, or 52.215-13 as applicable, then

52.215-11

52.215-12

52.215-13

52.215-14

52.215-15

Applies if this PO requires certified cost or pricing data and any preaward or postaward cost determinations will be subject to FAR part 31. "Government" means Government and Buyer.

52.215-18

Applies if this PO requires certified cost or pricing data or if any preaward or postaward cost determinations will be subject to FAR part 31.

52.215-19

Applies if this PO requires cost or pricing data, or if any preaward or postaward cost determination will be subject to FAR subpart 31.2.

52.215-20

52.215-21

52.219-8

. Applies if this PO offers further subcontracting opportunities or exceeds \$100,000.

52.219-9

. Applies if this PO contains the clause at 52.219-8 and exceeds \$500,000.
52.219-9

- 52.229-3 "Government" and
"Contracting Officer" mean Buyer.
- 52.229-4 "Government" and "Contracting Officer" mean Buyer except in
(a), the excepted tax definition, "Government" means
Government.
- 52.229-6 The FAR takes
cognizance of the fact that Tax Agreements have been
entered into between the United States Government and the
Consortium Countries (Belgium, Denmark, the Netherlands
and Norway) under which United States expenditures for the
common defense are exempt from certain taxes and duties of
the Consortium Countries in which such expenditures are
made. In accordance with and subject to the above clause,
Seller has not included any allowance for such aforementioned
taxes and duties in the PO price. In addition, the PO prices
herein contain no allowance for any other taxes or duties
applicable to this PO which may be levied or assessed by any
governmental agency or taxing authority outside the United
States. In the event that Seller or any subcontractor hereunder
is required to pay or bear the burden of any other such taxes
or duties, the PO price herein shall be correspondingly
increased.
- 52.233-3
- 52.234-1 "Contracting Officer" means Buyer.
- 52.237-8
- 52.239-1
- 52.242-13
- 52.242-15 "Contracting Officer" and "Government"
mean Buyer.
- 52.243-1 "Contracting Officer" and
"Government" mean Buyer.
- 52.244-5
- 52.244-6
- 52.245-2 "Government" means Buyer except 1) in the terms
"Government-furnished property" and "Government property,"
2) the second time it appears in Paragraph (b)(1)(ii), 3) in
Paragraph (c)(1), 4) in Paragraph (f), and 5) in Paragraph (j)
and subparagraph (j)(1), "Government" means Government or
Buyer. The fourth sentence of paragraph (h) is changed to
read: "Neither the Government nor the Buyer shall be liable..."
- 52.245-17 Applies to the extent special tooling, as
defined in this clause, is acquired or fabricated by Seller for the

Government or furnished by the Government (directly or through Buyer) for use in connection with and under the terms of this PO. "Contracting Officer" means the cognizant U.S. Government Contracting Officer, but Seller acknowledges actions of the Contracting Officer may be performed through Buyer as directed by the Contracting Officer.

52.245-18 "Contracting Officer" means the cognizant U.S. Government Contracting Officer, but Seller acknowledges actions of the Contracting Officer may be performed through Buyer as directed by the Contracting Officer.

52.246-2 "Contracting Officer" means Buyer. "Government" means Buyer except that the first time it appears in the first sentence of Paragraph (b) and in the fourth sentence of Paragraph (b), and throughout paragraphs (c) and (d), it means Buyer and the Government (provided, however, that an inspection system accepted by the Government will be deemed acceptable to the Buyer), and the first time it appears in Paragraph (k), it means Government or Buyer. The provisions in the clause for access, rights to inspect, safety protection, and relief from liability apply equally to Buyer and the Government.

52.247-63 Applies if this PO involves international air transportation.

52.247-64 This clause does not apply to subcontracts under DoD prime contracts.

52.248-1 Applies if this PO exceeds \$100,000. "Contracting Officer" means Buyer, "contracting office" means " US Government contracting office," "Government" means Buyer, except in subparagraph (c)(5) and paragraph (m), where it means Government and Buyer." Also, "Government" does not mean Buyer in the phrase "Government costs."

52.249-2 "Government" and "Contracting Officer" mean Buyer, except in Paragraph (n), where they mean Government and Contracting Officer, respectively. In paragraph (c), "120 days" and "120-day period" mean 60 days and 60-day period, respectively. In Paragraph (d), the term "45 days" is changed to "90 days." The term "1 year" in Paragraph (e) is changed to "6 months."

52.249-8 "Government" and "Contracting Officer" mean Buyer, except in paragraph (c), where they mean Government and Contracting Officer, respectively.

252.203-7001 . Applies if this contract exceeds \$100,000. The terms "contract," "contractor" and "subcontract" are not modified in paragraphs (a) through (d). Paragraph (g) is deleted.

252.204-7000 In paragraph (b) "45 days" is changed to "60 days," and "Contracting Officer" means Buyer.

252.208-7000

252.209-7000

252.211-7000 Applies if this PO exceeds \$100,000.
Applies if this PO exceeds \$1,000,000.

252.215-7000 .

252.219-7003 Applies if FAR 52.219-9 is included in this contract. Paragraph (g) is deleted.

252.223-7001

252.223-7002 Applies if this PO involves ammunition or explosives.

252.223-7003 "Contracting Officer" means Buyer.

252.223-7006 Applies if this PO requires, may require, or permits a subcontractor to treat or dispose of Non-DOD-owned toxic or hazardous materials as defined in the clause. "Government" means Government and Buyer.

252.223-7007 Applies if this PO is for the development, production, manufacture, or purchase of arms, ammunition, and explosives ("AA&E"), or when AA&E will be provided to the subcontractor as Government-furnished property. In paragraph (e) add the words "and Buyer" after the word "office."

252.225-7001

252.225-7002 .

252.225-7003

252.225-7004*** Applies if this PO exceeds \$500,000.

252.225-7012 Applies if this PO exceeds \$500,000.

252.225-7013

Applies if supplies will be imported into the Customs Territory of the United States. "Administrative Contracting Officer (ACO)" means Buyer.
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20590," and replace with the phrase "furnish with each invoice submitted for payment." This clause applies only to subcontracts issued under DoD prime contracts.

252.247-7024

"Contracting Officer" means Buyer. This clause applies only to subcontracts issued under DoD prime contracts.

252.249-7002