

LOCKHEED MARTIN CORPORATION

CORPDOC 3



CORPDOC 3 (01/99)

the price, or in the costs and fee, of this Contract or any other contract with SELLER, and/or may demand payment (in whole or in part) of the corresponding amounts. SELLER shall promptly pay amounts so demanded.

(5) These rights and obligations shall survive the termination or completion of this Contract

(a) SELLER represents that each chemical substance constituting or contained in Work sold or otherwise transferred to LOCKHEED MARTIN 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.

(b) SELLER shall provide to LOCKHEED MARTIN with each delivery any Material Safety Data Sheet applicable to the Work in conformance with and containing such information as required by the Occupational Safety and Health Act of 1970 and regulations promulgated thereunder, or its state approved counterpart.

### 3. **ASSIGNMENT**

Any assignment of SELLER's contract rights or delegation of duties shall be void, unless prior written consent is given by LOCKHEED MARTIN. However, SELLER may assign rights to be paid amounts due, or to become due, to a financing institution if LOCKHEED MARTIN is promptly furnished a signed copy of such assignment reasonably in advance of the due date for payment of any such amounts. Amounts assigned to an assignee shall be subject to setoffs or recoupment for any present or future claims of LOCKHEED MARTIN against SELLER. LOCKHEED MARTIN shall have the right to make settlements and/or adjustments in price with SELLER without notice to the assignee.

### 4. **COMMUNICATION WITH LOCKHEED MARTIN CUSTOMER**

(a) LOCKHEED MARTIN shall be solely responsible for all liaison and coordination with the LOCKHEED MARTIN customer, including the U. S. Government, as it affects the applicable Prime Contract, this Contract, and any related contract.

(b) Unless otherwise directed in writing by the authorized LOCKHEED MARTIN Procurement Representative, all documentation requiring submittal to, or action by, the Government or the Contracting Officer shall be routed to, or through, the LOCKHEED MARTIN Procurement Representative, or as otherwise permitted by this Contract.

### 5. **CONTRACT DIRECTION**

(a) Only the LOCKHEED MARTIN Procurement Representative has authority to amend this Contract. Such amendments must be in writing.

(b) LOCKHEED MARTIN engineering and technical personnel may



All offset or countertrade credit value resulting from this Contract shall accrue solely to the benefit of LOCKHEED MARTIN. SELLER agrees to cooperate with LOCKHEED MARTIN in the fulfillment of any foreign offset/countertrade obligations.

**19. PACKING AND SHIPMENT**

- (a) Unless otherwise specified, all Work is to be packed in accordance with good commercial practice.
- (b) A complete packing list shall be enclosed with all shipments. SELLER shall mark containers or packages with necessary lifting, loading, and shipping information, including the LOCKHEED MARTIN contract number, item number, dates of shipment, and the names and addresses of consignor and consignee. Bills of lading shall include this contract number.
- (c) Unless otherwise specified, delivery shall be FOB Place of Shipment.

**20. PARTS OBSOLESCENCE**

LOCKHEED MARTIN may desire to place additional orders for items purchased hereunder. SELLER shall provide LOCKHEED MARTIN with a "Last Time Buy Notice" at least twelve (12) months prior to any action to discontinue any item purchased under this Contract.

**21. PAYMENTS, TAXES, AND DUTIES**

- (a) Unless otherwise provided, terms of payment shall be net thirty (30) days from the latest of the following: (i) LOCKHEED MARTIN's receipt of the SELLER's proper i

- (b) LOCKHEED MARTIN's approval of documents shall not relieve SELLER from complying with any requirements of this Contract.
- (c) The rights and remedies of LOCKHEED MARTIN in this Contract are in addition to any other rights and remedies provided by law or in equity.

29. **WARRANTY**

SELLER warrants that all Work furnished pursuant to this Contract shall strictly conform to applicable specifications, drawings, samples, and descriptions, and other requirements of this Contract and be free from defects in design, material and workmanship. The warranty shall begin upon final acceptance and extend for a period of (i) the manufacturer's warranty period or six months, whichever is longer, if SELLER is not the manufacturer and has not modified the Work or, (ii) one year or the manufacturer's warranty period, whichever is longer; if the SELLER is the manufacturer of the Work or has modified it. If any non-conformity with Work appears within that time, SELLER shall promptly repair, replace, or reperform the Work. Transportation of replacement Work and return of non-conforming Work and repeat performance of Work shall be at SELLER's expense. If repair or replacement or reperformance of Work is not timely, LOCKHEED MARTIN may elect to return the nonconforming Work or repair or replace Work or reprocur the Work at SELLER's expense. All warranties shall run to LOCKHEED MARTIN and its customer(s). **Any implied warranty of merchantability and fitness for a particular purpose is hereby disclaimed.**

30. **YEAR 2000 COMPLIANCE**

- (a) Year 2000 compliant, as used in this clause, means that with respect to information technology, that the information technology accurately processes data/time data (including but not limited to, calculating, comparing, and sequencing) from, to, and between the twentieth and twenty-first centuries, and the years 1999 and 2000 and leap year calculations, to the extent that other information technology, used in combination with the information technology being acquired, properly exchanges date/time data with it.
- (b) Any and all products provided hereunder will be Year 2000 compliant at the time of delivery to LOCKHEED MARTIN, including but not limited to accurately inputting, storing, manipulating, comparing, calculating, updating, displaying, outputting, and transferring such dates and data unless otherwise expressly provided herein by LOCKHEED MARTIN.
- (c) This provision takes precedence over all other provisions of this Contract with respect to being Year 2000 compliant. In the event of a discovery of any non-compliance, either before, concurrent with, or subsequent to delivery of a good or service under this Contract, the discovering party shall notify the other party within five (5) calendar days. If the defective good or service is being presented for acceptance or has already been delivered, at LOCKHEED MARTIN's option, the defective good or service shall be repaired or replaced within ten (10) days notice at no cost to LOCKHEED MARTIN.
- (d) Nothing in this provision shall be construed to limit any other rights under this Contract, at law or in equity that LOCKHEED MARTIN may have with respect to Year 2000 compliance.

**SECTION II: FAR FLOWDOWN PROVISIONS**

A. **INCORPORATION OF FAR CLAUSES.**

The Federal Acquisition Regulation (FAR) 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, during the performance of 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 FAR clauses referenced below and otherwise in this

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 estimated 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. **FAR FLOWDOWN CLAUSES.**

**REFERENCE TITLE**

1. **The following FAR clauses apply to this Contract :**

- (a) 52.219-8 UTILIZATION OF SMALL BUSINESS CONCERNS  
(JAN 1999)

- (g) 52.223-14 TOXIC CHEMICAL RELEASE REPORTING (OCT 1996) (See Notes 2 and 5, delete subparagraph (e).)
- (h) 52.227-1 AUTHORIZATION AND CONSENT (JUL 1995) (Applicable only if the Prime Contract contains this clause. In the clause, in paragraph (a)(1) see Note 4, and in paragraph (a)(2)(ii) see Note 2.)
- (i) 52.227-2 NOTICE AND ASSISTANCE REGARDING PATENT AND COPYRIGHT INFRINGEMENT (AUG 1996) (See Notes 2 and 4.)
- (j) 52.247-64 PREFERENCE FOR PRIVATELY OWNED U.S.-FLAG COMMERCIAL VESSELS (JUN 1997) (Applicable for ocean transportation of supplies.)
- (k) 52.248-1 VALUE ENGINEERING (MAR 1989) (See Note 1, except in subparagraphs (c)(5) and (m), see Note 3.)

4. **The following FAR clauses apply to this Contract if the value of this Contract equals or exceeds \$500,000:**

- (a) 52.219-9 SMALL BUSINESS SUBCONTRACTING PLAN (JAN 1999) (Applicable if the CONTRACTOR is not a small business; see Note 1 and Note 2, applicable to subparagraph (c) only; the CONTRACTOR's subcontracting plan is incorporated herein by reference.)

5. **The following FAR clauses apply to this Contract only if the stipulation in the relevant parenthetical applies:**

- (a) ~~52.204-2~~ SECURITY REQUIREMENTS (EIERXoy)

- (q) 52.227-10 FILING OF PATENT APPLICATIONS-CLASSIFIED SUBJECT MATTER (APR 1984)  
(Applicable if the Work or any patent application may cover classified subject matter.)
- (r) 52.227-11 PATENT RIGHTS-RETENTION BY THE CONTRACTOR (SHORT FORM) (JUN 1997)  
(Applicable if CONTRACTOR is a small business or non-profit organization performing experimental or R&D work.) Alternate I (Jun 1989), II (Jun 1989), III (Jun 1989), and IV (Jun 1989)
- (s) 52.227-12 PATENT RIGHTS-RETENTION BY THE CONTRACTOR (LONG FORM) (JAN 1997)  
(Applicable to other than a small business or non-profit organization performing experimental or R&D work.)
- (t) 52.227-14 RIGHTS IN DATA - GENERAL (JUN 1987)  
(Applicable for the delivery of data under this Contract.)
- (u) 52.230-2 COST ACCOUNTING STANDARDS (APR 1998)  
(When referenced in the Contract, Full CAS Coverage applies. In subparagraph (a)(4)(ii) and (a)(5) see Note 1. Delete paragraph (b) of the clause.
- (v) 52.230-3 DISCLOSURE AND CONSISTENCY OF COST ACCOUNTING PRACTICES (APR 1998) (When referenced in the Contract, Modified CAS Coverage applies. In subparagraphs (a)(3)(ii) and (a)(4) see Note 1. Delete paragraph (b) of the clause.)
- (w) 52.230-6 ADMINISTRATION OF COST ACCOUNTING STANDARDS (APR 1996) (Applicable if FAR 52.230-2 or FAR 52.230-3 applies.)
- (x) 52.233-3 PROTEST AFTER AWARD (AUG 1996) (In the event LOCKHEED MARTIN's customer has directed LOCKHEED MARTIN to stop performance of the work under the prime contract under which this contract is issued pursuant to FAR 33.1, LOCKHEED MARTIN may, by written order to SELLER, direct SELLER to stop performance of the work called for by this Contract; "30 days" means "20 days" in paragraph (b)(2); Note 1 applies except the first time it appears in paragraph (f); in paragraph (f) add after "33.104(h)(1)" "and recovers those costs from LOCKHEED MARTIN"; See Note 2.)
- (y) 52.237-2 PROTECTION OF GOVERNMENT BUILDINGS, EQUIPMENT AND VEGETATION (APR 1984)  
(Applicable if work performed on Government  
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