

LOCKHEED MARTIN CORPORATION

CORPDOC 3B

FEDERAL ACQUISITION REGULATION (FAR) AND NATIONAL AERONAUTICS AND SPACE ADMINISTRATION FAR SUPPLEMENT (NASA FARS) FLOWDOWN PROVISIONS FOR FIXED PRICE SUBCONTRACTS/PURCHASE ORDERS FOR NON COMMERCIAL ITEMS UNDER A UNITED STATES NASA PRIME CONTRACT

A. INCORPORATION OF FAR AND NASA FAR SUPPLEMENT CLAUSES

The FAR and NASA FAR Supplement 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, to this Contract. If the date or substance of any of the clauses listed below is different from 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. The Contracts Disputes Act shall have no application to this Contract. Any reference to a "Disputes" clause shall mean the "Disputes" clause of this Contract.

B. GOVERNMENT SUBCONTRACT

(a) This Contract is entered into by the parties in support of a U.S. Government contract.

(b) As used in the FAR and NASA FARS clauses referenced below and otherwise in this Contract:

1. "Administrator" means the Administrator or Deputy Administrator of NASA; and the term "his duly authorized representative" means any person or persons or board "other than the Contracting Officer" authorized to act for the Administrator.
2. "Commercial Item" means a commercial item as defined in FAR 2.101.
3. "Contract" means this Contract.
4. "Contracting Officer" shall mean the U.S. Government Contracting Officer for LOCKHEED MARTIN's government prime contract under which this Contract is entered.
5. "Contractor" and "Offeror" means the SELLER, which is the party identified on the face of the Contract with whom Lockheed Martin is contracting, acting as the immediate subcontractor to LOCKHEED MARTIN.
6. "Prime Contract" means the contract between LOCKHEED MARTIN and the U.S. Government or between LOCKHEED MARTIN and its higher-

1. Substitute "LOCKHEED MARTIN" for "Government" or "United States" throughout this clause.

FAR 52.203-13 CONTRACTOR CODE OF BUSINESS ETHICS AND CONDUCT (APR 2010) (Applies if this Contract exceeds \$5,000,000 and the period of performance is more than 120 days. Disclosures made under this clause shall be made directly to the Government entities identified in the clause.)

FAR 52.203-14 DISPLAY OF HOTLINE POSTER(S) (DEC 2007) (Applies if this Contract exceeds \$5,000,000. Contact Lockheed Martin Procurement Representative for the location where posters may be contained if not indicated elsewhere in the Contract. Note 8 applies.)

FAR 52.203-17 CONTRACTOR EMPLOYEE WHISTLEBLOWER RIGHTS AND REQUIREMENT TO INFORM EMPLOYEES OF WHISTLEBLOWER RIGHTS (APR 2014) (Applies if this Contract exceeds \$150,000.)

FAR 52.204-2 SECURITY REQUIREMENTS (AUG 1996) (Applies if the Work requires access to classified information.)

FAR 52.204-9 PERSONAL IDENTITY VERIFICATION OF CONTRACTOR PERSONNEL (JAN 2011) (Applies where SELLER will have physical access to a federally-controlled facility or access to a Federal information system.)

FAR 52.204-10 REPORTING EXECUTIVE COMPENSATION AND FIRST-TIER SUBCONTRACT AWARDS (JUL 2013) (Subparagraph (d)(2) does not apply. If SELLER meets the thresholds specified in paragraphs (d)(3) and (g)(2) of the



FAR 52.215-15 PENSION ADJUSTMENTS AND ASSET REVERSIONS (OCT 2010) (Applies if this Contract meets the applicability requirements of FAR 15.408(g). Note 5 applies.)

FAR 52.215-16 FACILITIES CAPITAL COST OF MONEY (JUN 2003) (Applies only if this Contract is subject to the Cost Principles at FAR Subpart 31.2 and SELLER proposed facilities capital cost of money in its offer.)

FAR 52.215-17 WAIVER OF FACILITIES CAPITAL COST OF MONEY (OCT 1997) (Applies only if this Contract is subject to the Cost Principles at FAR Subpart 31.2 and SELLER did not propose facilities capital cost of money in its offer.)

FAR 52.215-18 REVERSION OR ADJUSTMENT OF PLANS FOR POST-RETIREMENT BENEFITS (PRB) OTHER THAN PENSIONS (JUL 2005) (Applicable if this Contract meets the applicability requirements of FAR 15.408(j). Note 5 applies.)

FAR 52.215-19 NOTIFICATION OF OWNERSHIP CHANGES (OCT 1997) (Applies if this Contract meets the applicability requirements of FAR 15.408(k). Note 5 applies.)

FAR 52.215-20 REQUIREMENTS FOR COST OR PRICING DATA OR INFORMATION OTHER THAN COST OR PRICING DATA (OCT 2010) (Note 2 applies in paragraph (a)(1).)

FAR 52.215-21 REQUIREMENTS FOR COST OR PRICING DATA OR INFORMATION OTHER THAN COST OR PRICING DATA - MODIFICATIONS (OCT 2010) (Note 2 applies in paragraphs (a)(1) and (b).)

FAR 52.215-23 LIMITATION ON PASS-THROUGH CHARGES (OCT 2009) Applies if this is a cost-reimbursement subcontract in excess of \$150,000, except if the prime contract to which this contract relates is with DoD, then the clause applies to both cost-reimbursement subcontracts and fixed-price subcontracts, except those identified in 15.408(n)(2)(i)(B)(2), that exceed \$700,000. Notes 4 and 6 apply.)

FAR 52.219-8 UTILIZATION OF SMALL BUSINESS CONCERNS (OCT 2014) (Note 8 applies.)

FAR 52.219-9 SMALL BUSINESS SUBCONTRACTING PLAN (OCT 2014) (Applies if this Contract exceeds \$650,000 except the clause does not apply if SELLER is a small business concern. Note 2 is applicable to paragraph (c) only. SELLER's subcontracting plan is incorporated herein by reference. Note 8 applies.)

FAR 52.222-4 CONTRACT WORK HOURS AND SAFETY STANDARDS ACT - OVERTIME COMPENSATION (MAY 2014) (Applies if the Contract may require or involve the employment of laborers and mechanics. Note 8 applies.)

FAR 52.222-21 PROHIBITION OF SEGREGATED FACILITIES (FEB 1999) (Note 8 applies.)

FAR 52.222-26 EQUAL OPPORTUNITY (MAR 2007) (Note 8 applies.)

FAR 52.222-35 EQUAL OPPORTUNITY FOR VETERANS (JUL 2014) (Applies if this Contract is for \$100,000 or more. Note 8 applies.)

FAR 52.222-36 AFFIRMATIVE ACTION FOR WORKERS WITH DISABILITIES (JUL 2014) (Applies if this Contract exceeds \$15,000. Note 8 applies.)

FAR 52.222-37 EMPLOYMENT REPORTS ON VETERANS (JUL 2014) (Applies if this Contract is for \$100,000 or more. Note 8 applies.)

months." Paragraph (j) is deleted. In paragraph (l) "90 days" is changed to "45 days." Settlements and payments under this clause may be subject to the approval of the Contracting Officer.)

FAR 52.249-5 TERMINATION FOR CONVENIENCE OF THE GOVERNMENT (EDUCATIONAL AND OTHER NONPROFIT INSTITUTIONS (SEP 1996) (Applies in lieu of far 52.249-2 if this Contracts is for research and development work with an educational or nonprofit institution on a no-profit or no-fee basis. Seller is a educational or nonprofit institution. .Notes 1 and 2 apply. In paragraph (c) "120 days" is changed to "60 days." In paragraph (d) "1 year" is changed to "6 months" In paragraph (e) "1 year" is changed to "6 months." Paragraph (h) is deleted. Settlements and payments under this clause may be subject to the approval of the Contracting Officer.)

FAR 52.249-8 DEFAULT (FIXED-PRICE SUPPLY AND SERVICE) (APR 1984) (Notes 1 and 2 apply, except Note 1 is not applicable to paragraph (c). Note 4 applies to the second and third time "Government" appears in paragraph (e). Timely performance is a material element of this Contract.)

FAR 52.249-8 DEFAULT (FIXED-PRICE SUPPLY AND SERVICE) (APR 1984) (Notes 1 and 2 apply, except Note 1 is not applicable to paragraph (c). Note 4 applies to the second and third time "Government" appears in paragraph (e). Timely performance is a material element of this Contract.)

G. PROVISIONS OF THE NATIONAL AERONAUTICS AND SPACE ADMINISTRATION FEDERAL ACQUISITION REGULATION SUPPLEMENT (NASA FARS) INCORPORATED BY REFERENCE

The following NASA FARS clauses apply to this Contract:

NASA FARS 1852.203-71 REQUIREMENT TO INFORM EMPLOYEES OF WHISTLEBLOWER RIGHTS (AUG 2014)

NASA FARS 1852.204-76 SECURITY REQUIREMENT FOR UNCLASSIFIED INFORMATION TECHNOLOGY RESOURCES (JAN 2011) (Note 5 applies. In paragraph (f), NASA means "LOCKHEED MARTIN and NASA.")

NASA FARS 1852.208-81 RESTRICTIONS ON PRINTING AND DUPLICATING (NOV 2004) (Note 2 applies.)

NASA FARS 1852.211-70 PACKAGING, HANDLING, AND TRANSPORTATION (SEP 2005) (Note 2 applies.)

NASA FARS 1852.216-90 ALLOWABILITY OF LEGAL COSTS INCURRED IN CONNECTION WITH A WHISTLEBLOWER PROCEEDING (AUGUST 2014) (Applies if FAR 52.216-7 applies to this contract.)

NASA FARS 1852.219-74 USE OF RURAL AREA SMALL BUSINESSES (SEP 1990)

NASA FARS 1852.219-75 SMALL BUSINESS SUBCONTRACTING REPORTING (MAY 1999) (Applies if FAR 52.219-9 applies to this Contract.)

NASA FARS 1852.219-76 NASA 8 PERCENT GOAL (JUL 1997)

NASA FARS 1852.223-70 SAFETY AND HEALTH (APR 2002) (Applies when any of the conditions in NASA FAR Supplement 1823.7001(a) exist. Note 2 applies to paragraphs (c), (d), (e), (f) and (h). Add "and LOCKHEED MARTIN Procurement Representative" after "Contracting Officer" in paragraph (i). Note 4 applies to paragraph (g)(1).)

NASA FARS 1852.223-71 FREQUENCY AUTHORIZATION (DEC 1988) (Applies if this Contract requires the development, production, test or operation of a device for which a radio frequency is required. Note 2 applies.)



NASA FARS 1852.223-74 DRUG AND ALCOHOL FREE WORKFORCE (MAR 1996) (Applies if Work is performed by an employee in a sensitive position as defined in the clause.)

NASA FARS 1852.225-70 EXPORT LICENSES (FEB 2000)

NASA FARS 1852.227-11 PATENT RIGHTS - RETENTION BY THE CONTRACTOR (SHORT FORM) (undated) (Applies if this Contract includes, at any tier, experimental, developmental, or research Work and SELLER is a small business concern or domestic nonprofit organization. Reports required by this clause shall be filed with the agency identified in this Contract. If no agency is identified, contact the LOCKHEED MARTIN Procurement Representative identified on the face of this Contract.)

NASA FARS 1852.227-14 RIGHTS IN DATA - GENERAL (undated) (Modifies FAR 52.227-14. Notes 5 applies.)

NASA FARS 1852.227-70 NEW TECHNOLOGY (MAY 2002) (Applies if this Contract is for experimental, developmental, or research work to be performed by other than a small business firm or non-profit organization. Note 5 applies.)

NASA FARS 1852.227-71 REQUESTS FOR WAIVER OF RIGHTS TO INVENTIONS (APR 1984) (Applies whenever NASA FARS 1852.227-70 applies to this Contract. SELLER's petitions to the Contracting Officer will be made through Lockheed Martin.)

NASA FARS 1852.227-72 DESIGNATION OF NEW TECHNOLOGY REPRESENTATIVE AND PATENT REPRESENTATIVE (JUL 1997) (Applies if this Contract contains either of the clauses at FAR 52.227-11 or 18-52.227-70. The respective representatives referenced in the clause are identified in the Schedule. Note 2 applies.)

NASA FARS 1852.227-86 COMMERCIAL COMPUTER SOFTWARE - LICENSING (DEC 1987) (Applies for the purchase of existing computer software in accordance with FAR 27.405(b)(2). Replaces FAR 52.227-19. Note 6 applies.)

NASA FARS 1852.228-76 CROSS-WAIVER OF LIABILITY FOR INTERNATIONAL SPACE STATION ACTIVITIES (OCT 2012) (Applies if the Work is performed in support of "Protected Space Operations" as that term is defined in the clause.)

NASA FARS 1852.228-78 CROSS-WAIVER OF LIABILITY FOR SCIENCE OR SPACE EXPLORATION ACTIVITIES UNRELATED TO THE INTERNATIONAL SPACE STATION (OCT 2012) Applies if the Work is performed in support of "Protected Space Operations" as that term is defined in the clause.)

NASA FARS 1852.231-71 DETERMINATION OF COMPENSATION REASONABLENESS (MAR 1994) (Applies if this Contract is a (1) service contract, and (2) cost reimbursable or non-competitive fixed price in excess of \$500,000.)

NASA FARS 1852.237-71 PENSION PORTABILITY (JAN 1997) (Applies if this Contract is for services and meets the conditions of paragraph (b) of the clause.)

NASA FARS 1852.237-72 ACCESS TO SENSITIVE INFORMATION (JUN 2005)

NASA FARS 1852.237-73 RELEASE OF SENSITIVE INFORMATION (JUN 2005)

NASA FARS 1852.242-71 TRAVEL OUTSIDE OF THE UNITED STATES (DEC 1988) (Applies if this Contract requires travel to locations outside of the United States that will be charged direct to the Contract. Substitute "45" days" for "30 days" in the clause. Note 2 applies.)

(i) The tax liability is finally determined. The liability is finally determined if it has been assessed. A liability is not finally determined if there is a pending administrative or judicial challenge. In the case of a judicial challenge to the liability, the liability is not finally determined until all judicial appeal rights have been exhausted.

(ii) The taxpayer is delinquent in making payment. A taxpayer is delinquent if the taxpayer has failed to pay the tax liability when full payment was due and required. A taxpayer is not delinquent in cases where enforced collection action is precluded.

(2) Examples. (i) The taxpayer has received a statutory notice of deficiency, under I.R.C. Sec. 6212, which entitles the taxpayer to seek Tax Court review of a proposed tax deficiency. This is not a delinquent tax because it is not a final tax liability. Should the taxpayer seek Tax Court review, this will not be a final tax liability until the taxpayer has 3.2(0.00acr)-6.3(c)-8es pr(t)-1.1(aD.2()-6.(w)9.3.2()-1-13.2()-2 f)-13.2(i(h e)-12.3(nte)-12.3(r)-63.1(i)3.s)-8(.)8l(.)-1..(-)-1.2(C)-9(.)-1.C -0.12.3(212)Sam)-2

4. FAR 52.222-25 Affirmative Action Compliance

(a) SELLER represents: (1) that SELLER 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) that in the event such a program does not presently exist, SELLER will develop and place in operation such a written Affirmative Action Compliance Program within one-hundred twenty (120) days from the award of this Contract.

(b) Paragraph (a) applies only to the extent (1) SELLER performs work in the United States, or (2) recruits employees in the United States to W Sn thieesee 0 >>BDC employees in