



LOCKHEED MARTIN CORPORATION

CORPDOC 4B

FEDERAL ACQUISITION REGULATION (FAR) AND NATIONAL AERONAUTICS AND SPACE ADMINISTRATION FAR SUPPLEMENT (NASA FAR) FLOWDOWN PROVISIONS FOR COST REIMBURSEMENT AND T&M 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 FAR 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-tier contractor who has a contract with the U.S. Government.
7. "Subcontract" means any contract placed by SELLER or lower-tier subcontractors under this Contract.

C. NOTES

The following notes apply to the clauses incorporated by reference below only when specified in the parenthetical phrase following the clause title and date.

FAR 52.225-5 TRADE AGREEMENTS (NOV 2013) (Applies if the Work contains other than U.S. made or designated country end products as specified in the clause.)

FAR 52.225-8 DUTY FREE ENTRY (OCT 2010) (Applies if Work will be imported into the Customs Territory of the United States. Note 2 applies.)

FAR 52.225-13 RESTRICTIONS ON CERTAIN FOREIGN PURCHASES (JUN 2008)

FAR 52.227-1 AUTHORIZATION AND CONSENT (DEC 2007) (Applies only if the Prime Contract contains this clause.)

FAR 52.227-2 NOTICE AND ASSISTANCE REGARDING PATENT AND COPYRIGHT INFRINGEMENT (DEC 2007) (Applies if this Contract exceeds \$150,000. Notes 2 and 4 apply.)

FAR 52.227-9 REFUND OF ROYALTIES (APR 1984) (Applies when reported royalty exceeds \$250. Note 1 applies except for the first two times "Government" appears in paragraph (d). Note 2 applies.)

FAR 52.227-10 FILING OF PATENT APPLICATIONS-CLASSIFIED SUBJECT MATTER (DEC 2007) (Applies if the Work or any patent application may cover classified subject matter.)

FAR 52.227-11 PATENT RIGHTS-OWNERSHIP BY THE CONTRACTOR (MAY 2014) (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.

FAR 52.244-5 COMPETITION IN SUBCONTRACTING (DEC 1996)

FAR 52.244-6 SUBCONTRACTS FOR COMMERCIAL ITEMS (OCT 2014)

FAR 52.245-1 GOVERNMENT PROPERTY (APR 2012) (ALT I) (APR 2012) ("Contracting Officer" means "LOCKHEED MARTIN" except in the definition of Property Administrator and in paragraphs (h)(1)(iii) where it is unchanged, and in paragraphs (c) and (h)(4) where it includes LOCKHEED MARTIN. "Government" is unchanged in the phrases "Government property" and "Government furnished property" and where elsewhere used except in paragraph (d)(1) where it means "LOCKHEED MARTIN" and except in paragraphs (d)(2) and (g) where the term includes LOCKHEED MARTIN. The following is added as paragraph (n) "SELLER shall provide to LOCKHEED MARTIN immediate notice if the Government or other customers (i) revokes its assumption of loss under any direct contracts with SELLER, or (ii) makes a determination that SELLER's property management practices are inadequate, and/or present an undue risk, or that SELLER has failed to take corrective action when required.")

FAR 52.246-3 INSPECTION OF SUPPLIES - COST REIMBURSEMENT (MAY 2001) (Applies if this is a cost-reimbursement contract. Note 1 applies, except in paragraphs (b), (c), and (d) where Note 3 applies, and in paragraph (k) where the term is unchanged. In paragraph (e), change "60 days" to "120 days", and in paragraph (f) change "6 months" to "12 months".)

FAR 52.246-5 INSPECTION OF SERVICES - COST REIMBURSEMENT (APR 1984) (Applies if this is a cost-reimbursement contract. Note 3 applies in paragraphs (b) and (c). Note 1 applies in paragraphs (d) and (e).)

FAR 52.246-6 INSPECTION TIMBrWe \ T'p3`ŠjÀ'%'! À 52w 6 u1áY*"1ç)Û 2ç+÷\ x' - À „3`‡ 1R Ng#!" #ddC



Contract. Settlements and payments under this clause may be subject to the approval of the Contracting Officer. Alternate IV (SEP 1996) applies if this is a labor hour or time and materials contract.)

FAR 52.249-14 EXCUSABLE DELAYS (APR 1984) (Note 2 applies; Note 1 applies to (c). In (a)(2) delete "or contractual".)

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

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-

NASA FARS 1852.245-73 FINANCIAL REPORTING OF NASA PROPERTY IN THE CUSTODY OF CONTRACTORS

Standard Form LLL, Disclosure of Lobbying Activities, to provide the name of the registrants. SELLER need not report regularly employed officers or employees of the offeror to whom payments of reasonable compensation were made.

(e) Penalty. Submission of this certification and disclosure is a prerequisite for making or entering into this contract imposed by 31 U.S.C. 1352. Any person who makes an expenditure prohibited under this provision or who fails to file or amend the disclosure required 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. FAR 52.209-5 Certification Regarding Debarment, Suspension, Proposed Debarment, and Other Responsibility Matters

(a)(1) SELLER certifies, to the best of its knowledge and belief, that--

(i) SELLER and/or any of its Principals--

(A) Are not presently debarred, suspended, proposed for debarment, or declared ineligible for the award of contracts by any Federal agency;

(B) Have not, within a three-



contesting the lien filing, and to further appeal to the Tax Court if the IRS determines to sustain the lien filing. In the course of the hearing, the taxpayer is entitled to contest the underlying tax liability because the taxpayer has had no prior opportunity to contest the liability. 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 exercised all judicial appeal rights.

(iii) The taxpayer has entered into an installment agreement pursuant to I.R.C. Sec. 6159. The taxpayer is making timely payments and is in full compliance with the agreement terms. The taxpayer is not delinquent because the taxpayer is not currently required to make full payment.

(iv) The taxpayer has filed for bankruptcy protection. The taxpayer is not delinquent because enforced collection action is stayed under 11 U.S.C. 362 (the Bankruptcy Code).

(2) Principal, for the purposes of this certification, means an officer, director, owner, partner, or a person having primary management or supervisory responsibilities within a business entity (e.g., general manager; plant manager; head of a division, or business segment; and similar positions).

(b) SELLER shall provide immediate written notice to LOCKHEED MARTIN if, at any time prior to contract award, SELLER learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.

(c) The certification in paragraph (a) of this provision is a material representation of fact upon which reliance was placed when making award. If it is later determined that SELLER knowingly rendered an erroneous certification, in addition to other remedies available, LOCKHEED MARTIN may terminate this contract for default.

3. FAR 52.222-22 Previous Contracts and Compliance Reports

(a) SELLER represents that if SELLER has participated in a previous contract or subcontract subject to the Equal Opportunity clause (FAR 52.222-26): (1) SELLER has filed all required compliance reports and (2) that representations indicating submission of required compliance reports, signed by proposed subcontractors, will be obtained before subcontract awards.

(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 Work on this Contract.

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 Work on this Contract.