



LOCKHEED MARTIN CORPORATION

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GENERAL PROVISIONS FOR COST REIMBURSEMENT SUBCONTRACTS/  
PURCHASE ORDERS FOR NON-COMMERCIAL ITEMS UNDER A U.S. GOVERNMENT  
PRIME CONTRACT (ALL AGENCIES) PLACED WITH A COLLEGE, UNIVERSITY  
OR OTHER EDUCATIONAL INSTITUTION



cutoff dates and upon LOCKHEED MARTIN's request to provide cost or pricing data, submit cost or pricing data, whether certified or not certified at the time of submission, as a prospective subcontractor, and any such data are defective as of the applicable cutoff date on LOCKHEED MARTIN's Certificate of Current Cost or Pricing Data; (iii) claim an exception to a requirement to submit cost or pricing data and such exception is invalid; (iv) furnish data of any description that is inaccurate; or if (v) the U.S. Government alleges any of the foregoing; and, as a result, (A) LOCKHEED MARTIN's Contract price or fee is reduced; (B) LOCKHEED MARTIN's costs are determined to be unallowable; (C) any fines, penalties, or interest are assessed on LOCKHEED MARTIN; or (D) LOCKHEED MARTIN incurs any other costs or damages; LOCKHEED MARTIN may proceed as provided for in paragraph (3) below.

**(3) Upon the occurrence of any of the circumstances, other than withholdings, identified in paragraphs (1) and (2) above, LOCKHEED MARTIN may make a reduction of corresponding amounts (in whole or in part) 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. Such sums shall not be considered allowable costs under any provision of the Contract. In the case of withholding(s), LOCKHEED MARTIN may withhold the same amount from SELLER under this Contract.**

(d) 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. SELLER shall make available to LOCKHEED MARTIN all Safety Data Sheets for any material provided to LOCKHEED MARTIN, or brought or delivered to LOCKHEED MARTIN or its customer's premises in the performance of this Contract, as required by applicable law such as the Occupational Safety and Health Act of 1970 and regulations promulgated thereunder.

(e) Work delivered by SELLER under this Contract may be incorporated into deliverable goods for use in the European Economic Area (EEA) and subject to the European Union Regulation (EC) No 1907/2006 concerning the Registration, Evaluation, Authorization and Restriction of Chemicals (REACH); the Classification, Labeling and Packaging (CLP) Regulation (EC) No. 1272/2008; and the Biocidal Products Regulation (BPR, Regulation (EU) 528/2012).

(1) SELLER represents and





(c) "LOCKHEED MARTIN" means LOCKHEED MARTIN CORPORATION, acting through its companies or business units as identified on the face of this Contract. If a subsidiary or affiliate of LOCKHEED MARTIN CORPORATION is identified on the face of this Contract, then "LOCKHEED MARTIN" means that subsidiary or affiliate.

(d) "LOCKHEED MARTIN Procurement Representative" means a person authorized by LOCKHEED MARTIN's cognizant procurement organization to administer and/or execute this Contract.

(e) "SELLER" means the party identified on the face of this Contract with whom LOCKHEED MARTIN is contracting.

(f) "Work" means all required labor, articles, materials, supplies, goods, and services constituting the subject matter of this Contract.

## 7. DISPUTES

(a) All disputes under this Contract that are not disposed of by mutual agreement may be decided by recourse to an action at law or in equity. **Each party hereby irrevocably waives, to the fullest extent permitted by applicable law, any right it may have to a trial**



(c) SELLER hereby represents that neither SELLER nor any parent, subsidiary or affiliate of SELLER is included on any of the restricted party lists maintained by the U.S. Government, including the Specially Designated Nationals List administered by the U.S. Treasury Department's Office of Foreign Assets Control ("OFAC"), Denied Parties List, Unverified List or Entity List maintained by the U.S. Commerce Department's Bureau of Industry and Security ("BIS") or the List of Statutorily Debarred Parties maintained by the U.S. State Department's Directorate of Defense Trade Controls, or the consolidated list of asset freeze targets designated by the United Nations, European Union, and United Kingdom (collectively, "Restricted Party Lists"). SELLER shall immediately notify the LOCKHEED MARTIN Procurement Representative if SELLER or any parent, subsidiary or affiliate of SELLER, becomes listed on any Restricted Party List or if SELLER's export privileges are otherwise denied, suspended or revoked in whole or in part by any U.S. or non-U.S. government entity or agency.

(d) If SELLER is engaged in the business of exporting, manufacturing (whether exporting or not) or brokering defense articles or furnishing defense services, SELLER represents that it is and will continue to be registered with the Directorate of Defense Trade Controls, as required by the ITAR, and it maintains an effective export/import compliance program in accordance with the ITAR.

(e) Where SELLER is a party to or signatory under a LOCKHEED MARTIN Export Authoriz



Persons or sources for any Work under this Contract; or (ii) assigning or granting access to a Foreign Person to any Work, equipment, technical data or material generated or delivered in performance of this Contract. This notification will include the name and country of origin of the Foreign Person, physical location of the Foreign Person, a detailed description of the specific Work, equipment, data or material to which the Foreign Person will have access and a copy of the relevant export license, if such an application has been made. This notification to LOCKHEED MARTIN shall not be construed as an application for an export license, nor shall it in any way be interpreted to impede SELLER's right to apply for an export license. However, if LOCKHEED MARTIN disagrees with the application, SELLER will be so notified.

(c) SELLER shall provide LOCKHEED MARTIN with a Technology Control Plan (TCP) detailing how SELLER will protect LOCKHEED MARTIN technical data from disclosure to Foreign Persons.

### **13. FURNISHED PROPERTY**

(a) LOCKHEED MARTIN may, by written authorization, provide to SELLER property owned by either LOCKHEED MARTIN or its customer (Furnished Property). Furnished Property shall be used only for the performance of this Contract.

(b) Title to Furnished Property shall remain in LOCKHEED MARTIN or its customer. SELLER shall clearly mark (if not so marked) all Furnished Property to show its ownership.

(c) Except for reasonable wear and tear, SELLER shall be responsible for, and shall promptly notify LOCKHEED MARTIN of, any loss or damage to Furnished Property. Without additional charge, SELLER shall manage, maintain, and preserve Furnished Property in accordance with applicable law, the requirements of this Contract and good commercial practice.

(d) At LOCKHEED MARTIN's request, and/or upon completion of this Contract, SELLER shall submit, in an acceptable form, inventory



## 16. INFORMATION ASSURANCE

(a) Information provided by LOCKHEED MARTIN to SELLER remains the property of LOCKHEED MARTIN. SELLER shall comply with the terms of any proprietary information agreement with LOCKHEED MARTIN and comply with all proprietary information markings and restrictive legends applied by LOCKHEED MARTIN to anything provided hereunder to SELLER. SELLER shall not use any LOCKHEED MARTIN provided information for any purpose except to perform this Contract and shall not disclose such information to third parties without the prior written consent of LOCKHEED MARTIN. SELLER shall maintain data protection processes and systems sufficient to adequately protect LOCKHEED MARTIN provided information and comply with any law or regulation applicable to such information.

(b) If SELLER becomes aware of any compromise of information used in the performance of this Contract or provided by LOCKHEED MARTIN to SELLER, its officers, employees, agents, suppliers, or subcontractors (an "Incident"), SELLER shall take appropriate immediate actions to investigate and contain the Incident and any associated risks, including notification within seventy-two (72) hours to LOCKHEED MARTIN after learning of the Incident. As used in this clause, "compromise" means that information has been exposed to unauthorized access, inadvertent disclosure, known misuse, loss, destruction, or alteration other than as required to perform the Work. SELLER shall provide reasonable cooperation to LOCKHEED MARTIN in conducting any investigation regarding the nature and scope of any Incident. Any costs incurred in investigating or remedying Incidents shall be borne by SELLER.

(c) Any LOCKHEED MARTIN provided information identified as proprietary or subject to restrictions on public disclosure by law or regulation shall be encrypted (i) if transmitted via the Internet, or (ii) during electronic storage if potentially accessible by the Internet or otherwise by non-authorized users.

(d) The provisions set forth above are in addition to and do not alter, change or supersede any obligations contained in a proprietary information agreement between the parties.

(e) DFARS 252.204-7012 applies to covered defense information if said clause is included in this Contract.

## 17. INFORMATION OF SELLER

SELLER shall not provide any proprietary information to LOCKHEED MARTIN without prior execution of a proprietary information agreement by the parties.

## 18. INTELLECTUAL PROPERTY

(a) All intellectual property, including but not limited to inventions, improvements, data and computer software, developed in performance of the Work under this Contract (i) jointly by employees of LOCKHEED MARTIN and employees and students who perform the Work of SELLER (hereinafter "Researchers") shall be jointly owned without any obligation of accounting to each other, (ii) solely by Researchers of SELLER shall be owned by SELLER, and (iii) solely by employees of LOCKHEED MARTIN shall be owned by LOCKHEED MARTIN.

(b) SELLER shall promptly submit a complete written disclosure to LOCKHEED MARTIN of each invention made by SELLER Researchers, at least within one month of receipt of a corresponding disclosure from its inventor(s), specifically pointing out the features or concepts which SELLER believes to be patentable. SELLER represents that its Researchers are obligated to promptly submit invention disclosures to SELLER. Should LOCKHEED MARTIN directly receive from a SELLER Researcher a written invention disclosure that identifies this Contract, LOCKHEED MARTIN shall promptly provide to SELLER a copy of the invention disclosure.



(c)(1) SELLER hereby grants to LOCKHEED MARTIN a worldwide, royalty-free, paid-up license to make, have made for LOCKHEED MARTIN (with right to sublicense), use, sell, offer for sale, import, reproduce, make derivative works from, distribute and otherwise practice SELLER-owned intellectual property developed under this Contract. Such license shall be exclusive in the fields of use of US and foreign government and military applications and non-exclusive in all other fields of use. Should LOCKHEED MARTIN desire to obtain an exclusive license for other purposes, SELLER hereby grants to LOCKHEED MARTIN the first right to negotiate for such other fields of use an exclusive license to make, have made, use, sell, offer for sale, import, reproduce, distribute and otherwise practice (i) SELLER-owned intellectual property developed under this Contract and (ii) SELLER's interest in jointly owned intellectual property developed under this Contract.

(2) To the extent that LOCKHEED MARTIN requires a license to avoid infringing previously existing SELLER-owned intellectual property in order to (i) practice any license received for SELLER-owned intellectual property developed in performance of the Work under this Contract or (ii) exercise its rights in any intellectual property developed in the performance of this Contract, SELLER hereby grants to LOCKHEED MARTIN a worldwide, royalty-free, paid-up, non-exclusive license to practice such previously existing SELLER-owned intellectual property only to the extent necessary for LOCKHEED MARTIN to freely exercise its rights provided in this Contract to and in the intellectual property developed in performance of this Contract.

(d) In performing the Work or any services under this Contract, SELLER shall use professional skills that accord with the current state of the technology that is the subject of the Work and all reasonable efforts under the circumstances to avoid knowingly infringing any intellectual property developed under this Contract.







## 25. RELEASE OF INFORMATION

SELLER and its subcontractors shall not, without the prior written consent of LOCKHEED MARTIN, disclose any information of any nature whatsoever relative to this Contract except as may be required to ensure performance or is required by law. SELLER shall not use "Lockheed Martin," "Lockheed Martin Corporation" or any other name, trademark or logo owned by LOCKHEED MARTIN, in whatever shape or form, without the prior written consent of LOCKHEED MARTIN. LOCKHEED MARTIN 1(r)-4..1(H)-u.(o)-7.2-3.9(n)-4.4(A)-3.3(R)



Work, SELLER shall timely notify LOCKHEED MARTIN, in writing, giving pertinent details. These notifications shall not change any delivery schedule.

### **31. TRAVEL COSTS**

(a) All travel incurred by SELLER in the performance of this Contract shall not be reimbursed by LOCKHEED MARTIN unless such travel is expressly authorized in writing in advance by LOCKHEED MARTIN's Procurement Representative.

(b) When travel is authorized under this Contract, SELLER shall be reimbursed for necessary, reasonable, and actual travel expenses for transportation, lodging, meals and incidental expenses only to the extent that they (1) do not exceed the maximum per diem rate in effect at the time of travel, as set forth in the United States Federal Travel Regulations for the area of travel authorized under this Contract and (2) are otherwise reimbursable pursuant to the Allowable Cost and Payment clause of this Contract. Air travel shall be reimbursed for coach class only. Lodging expenses are reimbursable only where incurred from establishments serving the general public.

(c) SELLER shall provide a detailed summary of all such costs by category of expense with each invoice. SELLER shall provide a legible receipt for each claimed individual expense exceeding \$75.00.

### **32. USE OF FREE, LIBRE AND OPEN SOURCE SOFTWARE (FLOSS)**

(a) This clause only applies to Work that includes the delivery of software (including software residing on hardware).

(b) SELLER shall disclose to LOCKHEED MARTIN in writing any FLOSS that will be used or delivered in connection with this Contract and shall obtain LOCKHEED MARTIN's prior written consent before using or delivering such FLOSS in connection with this Contract. LOCKHEED MARTIN may withhold such consent in its sole discretion. SELLER warrants all FLOSS used or delivered in connection with this Contract complies with any applicable FLOSS License.

(c) As used herein, "FLOSS License" means the General Public License (GPL), Lesser/Library GPL, (LGPL), the Affero GPL (APL), the Apache license, the Berkeley Software Distribution (BSD) license, the MIT license, the Artistic License (e.g., PERL), the Mozilla Public License (MPL), or variations thereof, including without limitation licenses referred to as "Free Software License", "Open Source License", "Public License", or "GPL Compatible License."

(d) As used herein, "FLOSS" means software that incorporates or embeds software in, or uses software in connection with, as part of, bundled with, or alongside any (1) open source, publicly available, or "free" software, library or documentation, or (2) software that is licensed under a FLOSS License, or (3) software provided under a license that (a) subjects the delivered software to any FLOSS License, or (b) requires the delivered software to be licensed for the purpose of making derivative works or be redistributable at no charge, or (c) obligates LOCKHEED MARTIN to sell, loan, distribute, disclose or otherwise make available or accessible to any third party (i) the delivered software, or any portion thereof, in object code and/or source code formats, or (ii) any products incorporating the delivered software, or any portion thereof, in object code and/or source code formats.

### **33. USE OF DELIVERABLE TECHNICAL DATA AND COMPUTER SOFTWARE**





Contract: (iii) only connec