

LOCKHEED MARTIN CORPORATION

CORPDOC 3E

FEDERAL ACQUISITION REGULATION (FAR) FLOWDOWN PROVISIONS FOR FIXED PRICE SUBCONTRACTS/PURCHASE ORDERS FOR NON-COMMERCIAL ITEMS UNDER A UNITED STATES GOVERNMENT PRIME CONTRACT

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, 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, and nothing in this Contract grants SELLER a direct claim or cause of action against the U.S. Government. Any reference to a "Disputes" clause shall mean the "Disputes" clause of this Contract. SELLER shall include in each lower-tier subcontract the appropriate flow down clauses as required by the FAR and FAR Supplement clauses included in 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 clauses referenced below and otherwise in this Contract:

1. "Commercial Item" means a commercial item as defined in FAR 2.101.
2. "Commercially available off-the-shelf (COTS) item" means a COTS item as defined in FAR 2.101.
3. "Contract" means this Contract.

F. PROVISIONS OF THE FEDERAL ACQUISITION REGULATION (FAR) INCORPORATED BY REFERENCE

The following FAR clauses apply to this Contract:

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 \$750,000. Notes 4 and 6 apply.)

FAR 52.219-8 UTILIZATION OF SMALL BUSINESS CONCERNS (NOV 2016) (Note 8 applies.)

FAR 52.219-9 SMALL BUSINESS SUBCONTRACTING PLAN (JAN 2017) (Applies if this Contract exceeds \$700,000 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 52.248-1 VALUE ENGINEERING (OCT 2010) (Applies if this Contract exceeds \$150,000. Note 1 applies, except in paragraphs (c)(5), where Note 3 applies and except in (b)(3) where Note 4 applies, and where "Government" precedes "cost" throughout. Note 2 applies. In paragraph (m) "Government is unchanged." Also, "Government" does not mean "LOCKHEED MARTIN" in the phrase "Government costs.")

FAR 52.249-2 TERMINATION FOR CONVENIENCE OF THE GOVERNMENT (FIXED-PRICE) (APR 2012) (Notes 1 and 2 apply. Note 4 applies to the first time "Government" appears in paragraphs (b)(4) and (b)(6), it applies to all of paragraph (b)(8) and it applies to the second time "Government" appears in paragraph (d). In paragraph (n) "Government" means "LOCKHEED MARTIN and the Government" . In paragraph (c) "120 days" is changed to "60 days." In paragraph (d) "15 days" is changed to 0

The terms "agency," "influencing or attempting to influence," "officer or employee of an agency," "person," "reasonable compensation," and "regularly employed" are defined in the FAR clause of this solicitation entitled "Limitation on Payments to Influence Certain Federal Transactions" (52.203-12).

(b) Prohibition. The prohibition and exceptions contained in the FAR clause of this solicitation entitled "Limitation on

(D) Have not, within a three-year period preceding this offer, been notified of any delinquent Federal taxes in an amount

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