

LOCKHEED MARTIN – UNITED KINGDOM

CORPDOC 21UK

SUBCONTRACTS/PURCHASE ORDERS IN SUPPORT OF UNITED KINGDOM MINISTRY OF DEFENCE (MOD) PRIME CONTRACTS

SECTION I: STANDARD PROVISIONS

1. ACCEPTANCE OF CONTRACT/TERMS AND CONDITIONS

- (a) This Contract integrates, merges, and supersedes any prior offers, negotiations, and agreements concerning the subject matter hereof and constitutes the entire agreement between the parties. Neither of the Parties has entered into this Contract in reliance upon any representation, warranty or undertaking of any other party which is not set out or referred to in this Contract and, in the absence of fraud neither party shall be liable to the other for or shall seek to rely upon any such representations. The parties agree that any Non Disclosure Agreement or Proprietary Information Agreement shall not be superseded by this Contract.
- (b) SELLER's acknowledgment, acceptance of payment, or commencement of performance, shall constitute SELLER's



- (1) SELLER has not paid, offered, promised to pay or authorized and will not pay, offer, promise to pay, or authorize the payment directly or indirectly of any monies or anything of value (in the form of entertainment, gifts, gratuities, kickbacks or otherwise) for the purpose of obtaining or rewarding favourable treatment as a LOCKHEED MARTIN supplier.
- (2) SELLER has not paid, offered, promised to pay or authorized and will not pay, offer, promise to pay, or authorize the payment directly or indirectly of any monies or anything of value to (i) any person or firm employed by or acting for or on behalf of any customer, whether private or governmental, or (ii) any government official or employee or any political party or candidate for political office for the purpose of influencing any act or decision or inducing or rewarding any action by the customer in any commercial transaction or in any governmental matter or securing any improper advantage to assist LOCKHED MARTIN or SELLER in obtaining or retaining business or directing business to any person.
- (3) SELLER has an effective policy for detecting and preventing conflicts of interest and requires any owner, partner, officer, director or employee currently or previously holding political office or a role in government or with any supplier/customer to avoid any actual or perceived conflict and to recuse themselves from participation where such a conflict may arise.
- (4) To SELLER's knowledge, no owner, partner, officer, director or employee of SELLER or of any Affiliate of SELLER who will be involved in or benefit from the performance of this Contract or the LOCKHED MARTIN Prime Contract to which this Contract relates is or will become an official or employee of LOCKHED MARTIN's customer under the Prime Contract or of any agency or instrumentality of government that may have an influence with respect to the Prime Contract. Nothing in the foregoing is intended to prevent SELLER's employees being members of one of the Reserve Forces provided SELLER complies with paragraph (b)(3) of this clause.
- (5) SELLER has not made and will not make, either directly or indirectly, any improper payments, including but not limited to facilitation payments, gratuities or kickbacks.
- (6) SELLER has established and will maintain an effective business ethics and compliance program and procedures to prevent corruption and ensure compliance with the Bribery Act. SELLER's program and procedures shall implement guidance published by the United Kingdom Ministry of Justice relative to compliance with the Bribery Act.
- (7) SELLER maintains processes to ensure compliance with the UK Criminal Finance Act of 2017.
- (8) SELLER shall promptly disclose to LOCKHEED MARTIN together with all pertinent facts any violation, or alleged violation of this clause in connection with the performance of this Contract, and further notify LOCKHEED MARTIN of any subsequent disposition related to the foregoing.
- (c) SELLER shall include this clause or equivalent provisions in lower tier subcontracts under this Contract.

7. CONTRACT DIRECTION

(a) Only the LOCKHEED MARTIN Procurement Representative has authority on behalf of LOCKHEED MARTIN to make changes to this Contract. All amendments must be identified as such in writing and executed by the parties.





(g) In the event that Work delivered under this Contract constitutes or includes Counterfeit Work, SELER shall, at its expense, promptly replace such Counterfeit Work with genuine Work conforming to the requirements of this Contract. Notwithstanding any other provision in this Contract, SELLER shall be liable for all costs relating to the removal and replacement of Counterfeit Work, including without limitation LOCKHEED MARTIN's costs of removing Counterfeit Work,



(c) The provisions of this clause shall be without prejudice to any other remedy LOCKHEED MARTIN may have under this Contract or any applicable law.

11. DEFINITIONS

- (a) The following terms shall have the meanings set forth below:
- (1) "Affiliate" in relation to an entity shall mean a parent undertaking of that entity (whether direct or an ultimate holding company) or a subsidiary undertaking of a parent undertaking or an ultimate holding company of that entity, at any level, as the terms "parent undertaking" and "subsidiary undertaking" are defined within Section 1162 of the Companies Act 2006.
- (2) "the Authority" means the Secretary of State for Defence.
- (3) "Contract" means the instrument of contracting, such as "Purchase Order", "PO", "Subcontract" "Task Order", or other such type designation, including these General Provisions, all referenced documents, exhibits, and attachments. If



- (3) It shall not supply or use any asbestos or materials or equipment containing asbestos in the provision of Work;
- (4) It shall not supply or use any products or materials containing Chlorofluorocarbons (CFCs) in the provision of Work without the prior written approval (entirely at its discretion) of LOCKHEED MARTIN;



safe usage information. The SDS shall be provided in accordance with the requirements for the compilation of SDSs set out in Annex II to REACH.

(f) SELLER shall inform LOCKHEED MARTIN if at any time the Work's chemical composition or the status of the chemicals it contains changes such that an initial or modified declaration is required under paragraph (d) of this clause providing such information update to LOCKHEED MARTIN within 45 calendar days of any such changes. LOCKHEED MARTIN reserves the right to refuse/reject Work that requires a declaration pursuant to paragraph (d) of this Clause unless this has been agreed before contract award. LOCKHEED MARTIN shall have no liability to SELLER where Work is refused/rejected in accordance with this paragraph.

15. EXPORT CONTROL

(a) SELLER shall comply with all applicable United Kingdom, European Union (EU), U.S. and other sanctions and export control laws, rules and regulations, specific



all information and documentation as may reasonably be required for LOCKHEED MARTIN to prepare and submit any required Export Authorisation applications. Delays on SELLER's part to submit the relevant information for Export Authorisations shall not constitute an excusable delay under the Excusable Delay clause of this Contract.

- (d) SELER represents that neither SELER nor any parent, subsidiary or affiliate of SELER 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"). SELER shall immediately notify the LOCKHED MARTIN Procurement Representative if SELER or any parent, subsidiary or affiliate of SELER is, or becomes, listed on any Restricted Party List or if SELER's export privileges are otherwise denied, suspended or revoked in whole or in part by any United Kingdom, or other relevant governmental entity or agency.
- (e) SELLER shall immediately notify LOCKHEED MARTIN upon learning that any subcontractor or lower-tier supplier with which it engages or the country in which it or such subcontractor or supplier is based has become listed on the Restricted Party Lists.
- (f) Where SELLER is to use technical data controlled under applicable Trade Control Laws for the performance of the Work SELLER shall comply with the following:
- (1) The technical data shall be used only to perform the Work required by this Contract; and
- (2) The data shall not be disclosed to any person not authorized for receipt of the data under an applicable Export Authorization; and
- (3) Any rights in the data may not be acquired by any foreign person; and
- (4) SELLER, including lower tier subcontractors, shall return, or at LOCKHEED MARTIN's direction, destroy, all of the technical data exported to SELLER pursuant to this Contract upon fulfilment of its terms; and
- (5) Unless otherwise directed by LOCKHEED MARTIN, SELLER shall deliver the Work only to LOCKHEED MARTIN; and
- (6) SELLER shall include the terms of this paragraph (e) in all lower tier subcontracts issued under which technical data is provided to a lower tier subcontractor.
- (7) LOCKHED MARTIN ITAR Controlled Technical Data can be provided only to nationals of the same country in which SELLER is located. SELLER shall not permit third country national employees and/or employees with dual country nationality to access LOCKHED MARTIN ITAR Controlled Technical Data without separate authorisation and approval by LOCKHED MARTIN and the U.S. Government.



arising from any act or omission of SELLER, its officers, employees, agents, suppliers, or subcontractors at any tier, in the performance of any of its obligations under this Contract.

19. INDEPENDENT CONTRACTOR RELATIONSHIP



to LOCKHEED MARTIN in conducting any investigation regarding the nature and scope of any Incident. Any $\cos ts$



business information and other information conceived, developed or otherwise generated by or on behalf of SELLER otherwise than under this Contract.

(b) SELLER agrees that LOCKHEED MARTIN shall be the owner of all Foreground Information. SELLER hereby assigns and shall assign all right, title, and interest in the foregoing to LOCKHEED MARTIN, including without limitation all copyrights, patent rights and other intellectual property rights therein and further shall execute, at LOCKHEED MARTIN's request and expense, all documentation necessary to perfect title therein in LOCKHEED MARTIN. SELLER shall maintain and disclose to LOCKHEED MARTIN written records of, and otherwise provide LOCKHEED MARTIN with full access to, the subject matter covered by this clause and that all such subject matter will be deemed information of LOCKHEED MARTIN



(g) No other provision in this Contract, including but not limited to the Indemnity clause, shall be construed to limit the







(b) DEFCON 501 Definitions and Interpretations (Edn 11/17) shall apply to the extent that any of the DEFCONs included in the Contract contain any of the defined terms therein. The provisions of DEFCON 501 are in addition to any definitions included in the Contract. In the event of a conflict between a definition contained at DEFCON 501 and a definition







DEFCON 703 Intellectual Property Rights – Vesting in the Authority (Edn 08/13) (Apples to fully funded Contracts where the UK Ministry of Defence requires ownership of the rights in the results to be vested in the Secretary of State for Defence.)

DEFCON 705 Intellectual Property Rights – Research And Technology (Edn 11/02) (Applies if SELLER will be performing fully funded Research and Technology Work under the Contract.)

(b) For Contracts for the design and development of, or the provision of post-design services in relation to, equit2a1.3(e)74l2-