

PURCHASE ORDER CLAUSES

PACKAGING SPECS

A list of the packaging specs is located at the following URL under the link titled "Packaging Specifications"

<https://www.lockheedmartin.com/en-us/suppliers/business-area-procurement/space/documentation.html>

Each of the packaging specs listed are hot-linked to a PDF file outlining the requirements.

PT1A NON-CANCELABLE, NON-RETURNABLE

Non-cancelable, non-returnable item(s).

PT1M MILESTONE PAYMENTS T'S AND C'S

Definition. Milestone payments (for milestone events) are billing arrangements which result in periodic payments of portions of the total fixed price of this purchase order to Seller upon the verified accomplishments of the milestone events as shown below.

Requirements for Payment . Payments will be made under this Purchase Order upon submission of invoices by the Seller which are supported by written evidence of completion of milestone events listed below, and approval of these documents by Lockheed Martin. In addition, each invoice must contain a statement that Seller certifies the milestone event being billed has been fully accomplished. The invoice shall be annotated "Milestone Billing" and submitted against this Purchase Order number. The amount of the invoice plus all payments previously approved shall not exceed ninety percent (90%) of the price of this Purchase Order, or ninety percent (90%) of the deliverable line item price if on a delivery item basis. The final payment shall be at least ten percent (10%) of the price of this Purchase Order, or ten percent (10%) of the deliverable line item price if on a delivery item basis, and will be withheld pending final acceptance of all deliverables and services to the satisfaction of Lockheed Martin.

Maximum Payment. On completion or termination of this Purchase Order, Lockheed Martin shall deduct from the amount due to the Seller all previous milestone payments. If previous payments to the Seller exceed the amount due, the excess amount shall be paid to Lockheed Martin on demand. For purposes of this clause, the Purchase Order price shall be considered to be the stated Purchase Order price, less any price reductions, plus any price increases resulting from modification of this Purchase Order.

Reports and Access to Records. At Lockheed Martin's option, Seller will allow a mutually agreed upon independent auditor or the Government to have access to reports, certificates, financial statements, and other pertinent information ~~as may be requested by the Government~~ for administration of this clause. Also, the Seller shall give the auditor reasonable opportunity to examine and verify the Seller's books, records, accounts and physical inventory. Lockheed Martin shall bear the cost for the independent auditor. Seller shall maintain such records for three (3) years from the date of the Purchase Order completion.

Title . Title to the property described herein shall vest in Lockheed Martin. Vestiture shall be immediately upon the

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Special Provisions 253-02

shall not change.

PT2B COST ACCOUNTING STANDARDS – MODIFIED COVERAGE

The clauses at FAR 52.230-3, Disclosure and Consistency of Cost Accounting Practices, except for paragraph (b), and at FAR 52.230-6, Administration of Cost Accounting Standards, are incorporated herein by reference as if fully set forth herein. In 52.230-3 substitute "United States or Lockheed Martin" for "United States" as applicable throughout this clause; in 52.230-6, the language shall not change.

PT2C DISCLOSURE AND CONSISTENCY OF COST ACCOUNTING PRACTICES FOR SUBCONTRACTS AWARDED TO FOREIGN CONCERNS

The clause at FAR 52.230-4, Disclosure and Consistency of Cost Accounting Practices for Contracts Awarded to Foreign Concerns and at FAR 52.230-6, Administration of Cost Accounting Standards, are incorporated herein by reference as if fully set forth herein. In 52.230-4, substitute "Government or Lockheed Martin" for "U.S. Government" as applicable throughout this clause; in 52-230-6, the language shall not change.

PT2D DD254 REQUIREMENTS

DD254 requirements must be fulfilled pri()-65.20 1 0 0 1 43.1831.50 (2)-5(l)3.859.80 (D)-6.30 (eme)-2.70 (F)-7.80 (A 6.70 ()-6.50 (c))-2. (A 6.70 ()

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