



LOCKHEED MARTIN CORPORATION

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GENERAL PROVISIONS AND FAR FLOWDOWN PROVISIONS FOR COST REIMBURSEMENT SUBCONTRACTS/PURCHASE ORDERS FOR
NON COMMERCIAL SERVICES UNDER A U.S. GOVERNMENT PRIME CONTRACT (ALL AGENCIES)

SECTION I GENERAL 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.

(b) SELLER's acknowledgment, acceptance of payment, or commencement of performance, shall constitute SELLER's unqualified acceptance of this Contract.

(c) Unless expressly accepted in writing by LOCKHEED MARTIN, additional or differing terms or conditions proposed by SELLER or included in SELLER's acknowledgment are objected to by LOCKHEED MARTIN and have no effect.

(d) The headings used in this Contract are inserted for the convenience of the parties and shall not define, limit, or describe the scope or the intent of the provisions of this Contract.

2. APPLICABLE LAWS

(a) This Contract and any matter arising out of or related to this Contract shall be governed by the laws of the State from which this Contract is issued by LOCKHEED MARTIN, without regard to its conflicts of laws provisions, except that any provision in this Contract that is (i) incorporated in full text or by reference from the Federal Acquisition Regulations (FAR) or (ii) incorporated in full text or by reference from any agency regulation that implements or supplements the FAR or (iii) that is substantially based on any such agency regulation or FAR provision, shall be construed and interpreted according to the federal common law of Government contracts as enunciated and applied by federal judicial bodies, boards of contracts appeals, and quasi judicial agencies of the federal Government.

(b)(1) SELLER, in the performance of this Contract, agrees to comply with all applicable local, state, and federal laws, orders, rules, regulations, and ordinances. SELLER shall procure all licenses/permits and pay all fees and other required charges. SELLER shall comply with all applicable guidelines, regulations, or ordinances by SELLER, its officers, employees, agents,

subcontractors at any tier, LOCKHEED MARTIN

may proceed as provided for in (4) below.

(3) Where submission of cost or pricing data is required or requested at any time prior to or during performance of this Contract, if SELLER or its lower tier subcontractors: (i) submit and/or certify cost or pricing data that are defective; (ii) with notice of applicable 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

(c) Except as otherwise provided herein, all notices to be furnished by SELLER shall be in writing and sent to the LOCKHEED MARTIN Procurement Representative.

6. COUNTERFEIT WORK

(a) For purposes of this clause, Work consists of those parts delivered under this Contract that are the lowest level of separately identifiable items (e.g., articles, components, goods, and assemblies). "Counterfeit Work" means Work that is or contains items misrepresented as having been designed and/or produced under an approved system or other acceptable method. The term also includes approved Work that has reached a design life limit or has been damaged beyond possible repair, but is altered and misrepresented as acceptable.

(b) SELLER agrees and shall ensure that Counterfeit Work is not delivered to LOCKHEED MARTIN.

(c) SELLER shall only purchase products to be delivered or incorporated as Work to LOCKHEED MARTIN directly from the Original Component Manufacturer (OCM)/Original Equipment Manufacturer (OEM), or through an OCM/OEM authorized distributor chain. Work shall not be acquired from independent distributors or brokers unless approved in advance in writing by LOCKHEED MARTIN.

(d) SELLER shall immediately notify LOCKHEED MARTIN with the pertinent facts if SELLER becomes aware or suspects that it has furnished Counterfeit Work. When requested by LOCKHEED MARTIN, SELLER shall provide OCM/OEM documentation that authenticates traceability of the affected items to the applicable OCM/OEM.

(e) This clause applies in addition to any quality provision, specification, statement of work or other provision included in this Contract addressing the authenticity of Work. To the extent such provisions conflict with this clause, this clause prevails.

(f) In the event that Work delivered under this Contract constitutes or includes Counterfeit Work, SELLER 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, of reinserting replacement Work and of any testing necessitated by the reinstallation of Work after Counterfeit

(d)

Work shall not be supplied in (

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(d) SELLER will ensure that SELLER personnel assigned to work on LOCKHEED MARTIN's or Customer's premises comply with any on premises guidelines and: (i) do not bring weapons of any kind onto LOCKHEED MARTIN's or Customer's premises; (ii) do not manufacture, sell, distribute, possess, use or be under the influence of controlled substances or alcoholic beverages while on LOCKHEED MARTIN's or Customer's premises; (iii) do not possess hazardous materials of any kind on LOCKHEED MARTIN's or Customer's premises without LOCKHEED MARTIN's authorization; (iv) remain in authorized areas only; (v) will not conduct any non LOCKHEED MARTIN related business activities (such as interviews, hirings, dismissals or personal solicitations) on LOCKHEED MARTIN's or Customer's premises, (vi) will not send or receive non LOCKHEED MARTIN related mail through LOCKHEED MARTIN's or Customer's mail systems; and (vii) will not sell, advertise or market any products or memberships, distribute printed, written or graphic materials on LOCKHEED MARTIN's or Customer's premises without LOCKHEED MARTIN's written permission or as permitted by law.

(e) All persons, property, and vehicles entering or leaving LOCKHEED MARTIN's or Customer's premises are subject to search.

(f) SELLER will promptly notify LOCKHEED MARTIN and provide a report of any accidents or security incidents involving loss of or misuse or damage to LOCKHEED MARTIN's or Customer's intellectual or physical assets, and all physical altercations, assaults, or harassment.

(g) Prior to entry on LOCKHEED MARTIN premises, SELLER shall coordinate with LOCKHEED MARTIN to gain access to facilities. SELLER shall provide information reasonably required by LOCKHEED MARTIN to ensure proper identification of personnel, including ~~any and all information~~ but not limited to verification of citizenship, lawful permanent resident status, protected individual or other status.

(h) SELLER personnel: (i) will not remove LOCKHEED MARTIN or Customer's property or information from the premises without the written permission of the appropriate authority.

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to pay any employee for the Work rendered under this Contract, or (ii) any claims made by SELLER's personnel against LOCKHEED MARTIN.

16. INFORMATION OF LOCKHEED MARTIN

(a) SELLER shall not reproduce or disclose any information, knowledge, or data of LOCKHEED MARTIN that SELLER may receive from LOCKHEED MARTIN or have access to, including proprietary or confidential information of LOCKHEED MARTIN or of others when in possession of LOCKHEED MARTIN (hereinafter LOCKHEED MARTIN INFORMATION), without the prior written consent of LOCKHEED MARTIN. LOCKHEED MARTIN INFORMATION includes, but is not limited to, business plans, marketing information, cost estimates, forecasts, bid and proposal data, financial data, formulae, compositions, products, processes, procedures, inventions, systems, or designs. SELLER shall maintain data protection processes and systems sufficient to adequately protect LOCKHEED MARTIN information and comply with any law or regulation applicable to such information.

(b) Prior to commencement of Work, SELLER shall have a written agreement with each of its employees

(b) LOCKHEED MARTIN shall have access to

Except as required by law, no public release of any information, or confirmation or denial of same, with respect to this Contract or the subject matter hereof, will be made by SELLER or its subcontractors without the prior written approval of LOCKHEED MARTIN. SELLER shall not use "Lockheed Martin," "Lockheed Martin Corporation," or any other trademark or logo owned by LOCKHEED MARTIN, in whatever shape or form, without the prior written consent of LOCKHEED MARTIN.

27. RETENTION OF RECORDS

Unless a longer period is specified in this Contract or by law or regulation, SELLER shall retain all records related to this Contract for four (4) years from the date of final payment received by SELLER. Records related to this Contract include, but are not limited to, financial, proposal, procurement, specifications, production, inspection, test, quality, shipping and export, and certification records. At no additional cost, SELLER shall timely provide access to such records to the US Government and/or LOCKHEED MARTIN upon request.

28. SEVERABILITY

Each clause, paragraph and subparagraph of this Contract is severable, and if one or more of them are declared invalid, the remaining provisions of this Contract will remain in full force and effect.

29. SURVIVABILITY

(a) If this Contract expires, is completed, or is terminated, SELLER shall not be relieved of those obligations contained in the following clauses:

- Applicable Laws
- Counterfeit Work
- Electronic Contracting
- Export Control
- Independent SELLER Relationship and Seller Personnel
- Information of Lockheed Martin
- Insurance/Entry on Lockheed Martin Property
- Intellectual Property
- Maintenance of Records
- Release of Information
- Retention of Records
- Use of Free, Libre and Open Source Software (FLOSS)

(b) Those U. S. Government flowdown provisions that by their nature should survive.

30. TIMELY PERFORMANCE

(a) SELLER's timely performance is a critical element of this Contract.

(b) If SELLER becomes aware of difficulty in performing the Work, SELLER shall timely notify LOCKHEED MARTIN, in writing, giving pertinent details. This notification shall not change any performance schedule.

31. USE OF FREE, LIBRE

F. PROVISIONS OF THE FEDERAL ACQUISITION REGULATION INCORPORATED BY REFERENCE

The following FAR clauses apply to this Contract:

FAR 52.203 6 RESTRICTIONS ON SUBCONTRACTOR SALES TO THE GOVERNMENT (SEP 2006) (Applies if this Contract exceeds \$150,000.)

FAR 52.203 12 LIMITATION ON PAYMENTS TO INFLUENCE CERTAIN FEDERAL TRANSACTIONS (OCT 2010) (Applies if this Contract exceeds \$150,000.)

FAR 52.203 13 CONTRACTOR CODE OF BUSINESS ETHICS AND CONDUCT (APR 2010) (Applies if this Contract exceeds 5,000,000 and the period of performance is more than 120 days. Disclosures made under this clause shall be made directly to the Government entities identified in the clause.)

FAR 52.203 14 DISPLAY OF HOTLINE POSTER(S) (DEC 2007) (Applies if this Contract exceeds 5,000,000. Contact Lockheed Martin Procurement Representative for the location where posters may be contained if not indicated elsewhere in the Contract.)

FAR 52.204 2 SECURITY REQUIREMENTS (AUG 1996) (Applies if the Work requires access to classified information.)

FAR 52.204 9 PERSONAL IDENTITY VERIFICATION OF CONTRACTOR PERSONNEL (JAN 2011) (Applies where SELLER will have physical access to a federally controlled facility or access to a Federal information system.)

FAR 52.204 10 REPORTING EXECUTIVE COMPENSATION AND FIRST TIER SUBCONTRACT AWARDS (JUL 2010) (Subparagraph (c)(1) does not apply. If SELLER meets the thresholds specified in paragraphs (c)(2) and (d) of the clause, SELLER shall report required executive compensation by posting the information to the Government's Central SELLER Registration (CCR) database at <http://www.ccr.gov>. All information posted will be available

information

FAR 52.215 13 SUBCONTRACTOR COST OR PRICING DATA MODIFICATIONS (OCT 2010) (Applies if this Contract exceeds \$700,000 and is not otherwise exempt under FAR 15.403.)

FAR 52.215 14 INTEGRITY OF UNIT PRICES (OCT 2010) (Applies if this Contract exceeds \$150,000. Delete paragraph (b) of the clause.)

FAR 52.215 15 PENSION ADJUSTMENTS AND ASSET REVERSIONS (OCT 2010) (Applies if this Contract meets the applicability requirements of FAR 15.408(g). Note 5 applies.)

FAR 52.215 16 FACILITIES CAPITAL COST OF MONEY (JUN 2003) (Applies only if this Contract is subject to the Cost Principles at FAR Subpart 31.2 and SELLER proposed facilities capital cost of money in its offer.)

FAR 52.215 17C42.1302-1 (Applicable to FAR 5.4(R)) (Used) (TT11Tf1.58080TD0Tc0TDG.9(p)2.1(TT11TfE807TD0Tc0003F3(FA)5Tf.22160T

FAR 52.219 9 SMALL BUSINESS SUBCONTRACTING PLAN (JAN 2011) (Applies if this Contract exceeds \$650,000 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.)

FAR 52.222 2 PAYMENT FOR OVERTIME PREMIUMS (JUL 1990) (Insert Zero in the blank. Notes 2 and 3 apply.)

FAR 52.222 4 CONTRACT WORK HOURS AND SAFETY STANDARDS ACT OVERTIME COMPENSATION (JUL 2005) (Applies if the Contract may require or involve the employment of laborers and mechanics.)

FAR 52.222 21 PROHIBITION OF SEGREGATED FACILITIES (FEB 1999)

FAR 52.222 26 EQUAL OPPORTUNITY (MAR 2007)

FAR 52.222 35 EQUAL OPPORTUNITY FOR SPECIAL DISABLED VETERANS, VETERANS OF THE VIETNAM ERA, AND OTHER ELIGIBLE VETERANS (SEP 2010) (Applies if this Contract is for \$100,000 or more.)

FAR 52.222 36 AFFIRMATIVE ACTION FOR WORKERS WITH DISABILITIES (OCT 2010) (Applies if this Contract exceeds \$15,000.)

FAR 52.222 37 EMPLOYMENT REPORTS ON SPECIAL DISABLED VETERANS, VETERANS OF THE VIETNAM ERA, AND OTHER ELIGIBLE VETERANS (SEP 2010) (Applies if this Contract is for \$100,000 or more.)

FAR 52.222 40 NOTIFICATION OF EMPLOYEE RIGHTS UNDER THE NATIONAL LABOR RELATIONS ACT (DEC 2010) (Applies if this Contract exceeds \$10,000.)

FAR 52.222 41 SERVICE CONTRACT ACT OF 1965 (NOV 2007) (Applies if this Contract is subject to the Service Contract Act. The clause does not apply if this Contract has been administratively

FAR 52.234 1 INDUSTRIAL RESOURCES DEVELOPED UNDER

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

G. CERTIFICATIONS AND REPRESENTATIONS

SELLER acknowledges that LOCKHEED

(B) Have not, within a three year period preceding this offer, been convicted of or had a civil judgment rendered against them for: commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, state, or local) contract or subcontract; violation of Federal or State antitrust statutes relating to the submission of offers; or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, tax evasion, violating Federal criminal tax laws, or receiving stolen property;

(C) Are not presently indicted for, or otherwise criminally or civilly charged by a governmental entity with, commission of any of the offenses enumerated in subdivision (a)(1)(i)(B) of this provision; and

(ii) SELLER has not, within a three year period preceding this offer, had one or more contracts terminated for default by any Federal agency.

(D) Have not, within a three year period preceding this offer, been notified of any delinquent Federal taxes in an amount that exceeds \$3,000 for which the liability remains

(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

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

(D) Industry code 4911, 4931, or 4939 (limited to facilities that combust coal and/or oil for the purpose of generating power for distribution in commerce).

(E) Industry code 4953 (limited to facilities regulated under the Resource Conservation and Recovery Act, Subtitle C (42 U.S.C. 6921, et seq.), 5169, 5171, or 7389 (limited to facilities primarily engaged in solvent recovery services on a contract or fee basis); or

(v) The facility is not located in the United States or its outlying areas.