- (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

(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 hold (whthis

- (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;
- (5) It shall not specify, or permit use of, in Work, any materials or components containing such retardants, including but not limited to Polybrominated Biphenyls (PBBs) and Polybrominated Biphenyl Ethers (PBBEs), also known as Polybrominated Biphenyl Oxides (PBBOs) and shall provide LOCKHEED MARTIN with certification of compliance as required or for the avoidance of doubt containing any other substance to the extent that it is or would reasonably be expected to be subject to any restriction or other limitation on its use under Environmental and Health and Safety Laws; and
- (6) It shall not seek to or have any right to rely upon any derogation or exception that may apply to LOCKHEED MARTIN or its customer by virtue of the identity of its ultimate customer in complying with Environmental and Health and Safety Law or any other law applicable to the Work.
- (c) If the Work or any portion thereof is to be shipped to or performed in the United States:
- (1) 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 US Toxic Substances Control Act (15 U.S.C. Sec. 2601 et seq.) as amended.
- (2) SELLER shall provide to LOCKHEED MARTIN with each delivery any Material Safety Data Sheet applicable to the Work in conformance with and containing such information as required by the US Occupational Safety and Health Act of 1970 and regulations promulgated thereunder, or its State approved counterpart.
- (d) In addition to its obligations to provide a Safety Date Sheet (SDS) in accordance with Environmental and Health and Safety Law, for all Work to be supplied under the Contract, (including for finished or semi-finished articles, any replaceable part of such articles), SELLER shall provide a declaration in relation to:
- (1) Any substance in an individual concentration in the Work (or replaceable part) of at least 0.1% weight by weight (w/w) that is persistent, bioaccumulative and toxic (PBT) or very persistent and very bioaccumulative (vPvB) as defined

but not limited to, ineligibility, a violation or potential violation of export or other applicable governmental restrictions, and the initiation or existence of a government investigation, that could affect SELLER's performance under this Contract; or (ii) any change by SELLER that might require LOCKHEED MARTIN to submit an amendment to an existing Export Authorisation or request a new or replacement Export Authorisation. SELLER shall provide to LOCKHEED MARTIN 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) SELLER 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

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

(g) No other provision in this Contract, including but not limited to the Indemnity clause, shall be construed to limit the liabilities or remedies of the parties under this clause.

# 26. LANGUAGE AND STANDARDS

All reports, correspondence, drawings, notices, marking, and other communications shall be in the English language. The English version of the Contract shall prevail. Unless otherwise provided in writing all documentation and work shall employ the units of weights and measures called for by the Statement of Work, Technical Specifications, etc., applicable to this Contract.

#### 27. NEW MATERIALS

The Work to be delivered hereunder shall consist of new materials, not used, or reconditioned, remanufactured, or of such age as to impair its usefulness or safety.

#### 28. OFFSET CREDIT/COOPERATION

This Contract has been entered into in consideration of LOCKHEED MARTIN's international offset programs. All offset benefit credits resulting from this Contract are the sole property of LOCKHEED MARTIN to be applied to the offset program of its choice. SELLER shall assist LOCKHEED MARTIN in securing appropriate offset credits from the respective country government authorities. SELLER agrees to make fair and reasonable representations to the pertinent Offset authority to help LOCKHEED MARTIN secure the award of said credits.

# 29. PACKING AND SHIPMENT

- (a) Unless otherwise specified, all Work is to be packed in accordance with good commercial practice.
- (b) A complete packing list shall be enclosed with all shipments. SELLER shall mark containers or packages with necessary lifting, loading, and shipping information, including the LOCKHEED MARTIN Contract number, item number, dates of shipment, and the names and addresses of consignor and consignee. Bills of lading shall include this Contract number.
- (c) Unless otherwise specified, delivery shall be Delivery Duty Paid (INCOTERMS 2020 DDP) to the destination identified in this Contract.

# 30. PAYMENTS, TAXES, AND DUTIES

- (a) Unless otherwise provided, terms of payment shall be net thirty (30) days from latest of the following: (1) LOCKHEED MARTIN's receipt of SELLER's proper invoice; (2) scheduled delivery date of the Work; or (3) actual delivery of the Work at the final destination.
- (b) Each payment made shall be subject to reduction to the extent of amounts which are found by LOCKHEED MARTIN or SELLER not to have been properly payable, and shall also be subject to reduction for overpayments. SELLER shall promptly notify LOCKHEED MARTIN of any such overpayments and remit the amount of the overpayment except as otherwise directed by LOCKHEED MARTIN.

(c) The rights and remedies of either party in this Contract are cumulative and in addition to any other rights and remedies provided by law or in equity.

## 44. WARRANTY

SELLER warrants that all Work furnished pursuant to this Contract shall strictly conform to applicable specifications, drawings, samples, descriptions, and other requirements of this Contract and be free from defects in design, material, and workmanship and shall be fit for purpose and of satisfactory quality. This warranty shall begin upon final acceptance and extend for a period of one (1) year. If any nonconforming Work is identified by LOCKHEED MARTIN then without prejudice to any other remedy of LOCKHEED MARTIN, SELLER, at LOCKHEED MARTIN's option, shall promptly repair, replace, or re-perform the Work. Transportation of replacement Work, return of nonconforming Work, and reperformance of Work shall be at SELLER's expense. If repair, or replacement, or re-performance of Work is not carried out promptly, LOCKHEED MARTIN may elect to return, re-perform, repair, replace, or reprocure the non-conforming Work at SELLER's expense. All warranties shall enure to the benefit of both LOCKHEED MARTIN and its customers.

## 45. WORK ON LOOKHEED MARTIN AND THIRD PARTY PREMISES

- (a) "Premises" as used in this clause means premises of LOCKHEED MARTIN, its customers, or other third parties where Work is being performed.
- (b) SELLER shall ensure that SELLER personnel working on Premises comply with any on-premises policies and: (i) do not bring weapons of any kind onto Premises; (ii) do not manufacture, sell, distribute, possess, use or be under the influence of controlled substETQDds on ralcnh14(o)-5(li)3(ci)-2(b)3(ei9(ov-4(ersag14(ers)6(owhil4(e)7(t)-5(n)3())-6(r)12(e)9(m)-4(ises)10(e)9(m)-4(i

- information about the subject of modern slavery at https://www.modernslaveryhelpline.org/report (or by telephone on 08000 121 700).
- (3) SELLER shall provide LOCKHEED MARTIN with a copy of any reports SELLER makes to governmental authorities of incidents occurring during SELLER's performance of the Contract which relate to matters addressed by this clause.
- (4) SELLER will comply with any reasonable requests made by LOCKHEED MARTIN for assistance and/or the provision of information or documents as required by LOCKHEED MARTIN to enable LOCKHEED MARTIN's own compliance in accordance with Modern Slavery Laws.
- (5) SELLER shall include this clause or equivalent provisions in lower tier subcontracts under this Contract.
- (6) SELLER shall conduct reasonable due diligence of its lower-tier subcontractors to avoid contracting with subcontractors who are not compliance with Modern Slavery Laws.

#### SECTION II: DEFCON FLOWDOWN PROVISIONS

# A. INCORPORATION OF DEFCON CLAUSES

The United Kingdom Ministry of Defence Conditions ("DEFCON") clauses referenced below are incorporated herein by reference, with the same force and effect as if they were given in full text, and shall apply to this Contract in the circumstances stated below, and subject to any notes following the clause citation. Where, prior to the date of this Contract the DEFCON recited below has been superseded by a later version or edition of the DEFCON, then the later version or edition shall be deemed to form part of this Contract in place of the edition or version cited below.

## **B. NOTES**

- (a) As used in the DEFCON clauses referenced below and otherwise in this Contract:
- 1. The term "Contractor," mean "SELLER" as defined in Section I, Standard Provisions.
- 2. "Contract" means this contract.
- 3. "Prime Contract" means the contract be003acts4(i)13(o)-5(n)3(I, Stand)5(ard)5()9(P)-4(ro)6(v)-4(is)12(io)-3(n)3(s.)]TS17BT0.0

DEFCON 649 Vesting (Edn 12/16) ("Authority" means "LOCKHEED MARTIN." "DEFCON 525" means "the acceptance provisions of this Contract." Nothing in this paragraph shall prejudice the Authority's rights under the Vesting provision in the Prime Contract.)

DEFCON 653 Pricing On Ascertained Costs (Edn 12/14) (Applies if this Contract exceeds \$100,000. Only the Appendix to this DEFCON applies. "Subcontractor" means "SELLER." "Authority" includes "LOCKHEED MARTIN.")

DEFCON 656A Termination for Convenience (Contracts Under £5m) (Edn 08/16) (Applies provided that this right is not exercised unless the main contract, or relevant part, has been terminated by the Secretary of State for Defence in accordance with the provisions of DEFCON 656A. DEFCON 656B applies in lieu of this clause if the prime contract contains that clause. "Authority" means "LOCKHEED MARTIN.")

DEFCON 656B Termination for Convenience (Contracts £5m and Over) (Edn 08/16) (Applies provided that this right is not exercised unless the main contract, or relevant part, has been terminated by the Secretary of State for Defence in accordance with the provisions of DEFCON 656A. DEFCON 656A applies in lieu of this clause if the prime contract contains that clause. "Authority" means "LOCKHEED MARTIN" except in Sub-Clause 3.a.)

DEFCON 658 Cyber (Edn 9/21)

DEFCON 659A Security Measures (Edn 02/17) (Only the Appendix applies. Applies if SELLER will require access to material marked as Confidential or above. "Second Party" means SELLER. "Subcontractor" means SELLER's lower tier subcontractor.)

DEFCON 660 Official-Sensitive Security Requirements (Edn 12/15)

DEFCON 674 Advertising Subcontracts (Public Contracts Regulations 2015 only) (Edn 09/19)

DEFCON 675 Advertising Subcontracts (Defense and Security Public Contracts Regulations 2011 only) (Edition 09/19)

DEFCON 678 SME Spend Data Collection (Edition 09/19)

DEFCON 691 Timber and Wood - Derived Products (Edn 03/15) ("Authority" means "LOCKHEED MARTIN and the Authority.")

DEFCON 694 Accounting For Property Of The Authority (Edn 10/18) (Clauses 1, 2, 4 and 7 apply if SELLER will have responsibility in its Public Store Account for the Authority's property.) SELLER shall provide LOCKHEED MARTIN copies of all communications with the Authority under this clause.)

DEFCON 695 Interim Summary Cost Statement – Post Costing (Edn 02/15) (Applies if this Contract exceeds £5,000,000 and has been placed without competition. Only the Appendix to this DEFCON is incorporated into this Contract. "Subcontractor" means SELLER.")

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, equipment and/or software.

DEFCON 14 Inventions And Designs – Crown Rights And Ownership Of Patents and Registered Designs (Edn 11/05) (Applies if this Contract is for research, design or development.)

DEFCON 14A Collaboration - Ownership of Patents And Registered Designs (Edn 11/05) (Applies if this Contract is for