



LOCKHEED MARTIN CORPORATION

PRIME SUPPLEMENTAL FLOWDOWN DOCUMENT (PSFD)

**ADDITIONAL TERMS AND CONDITIONS FOR SUBCONTRACTS/PURCHASE ORDERS
UNDER**

Indefinite Delivery Indefinite Quantity (IDIQ)
Contract Number N00019-13-D-0005

Generated using Lockheed Martin CorpDocs 2013 Version

2 April 2013

Original Release

For all subcontracts issued under the subject Prime Contract, incorporate the following terms and conditions, applicable as noted, in addition to those other terms and conditions (CorpDocs, etc.) to be used for subcontracts issued under the Prime Contract. In the event of a conflict between the version or date of a clause set out in this document and the version or date of a clause set out in the identified CorpDocs, the version or date of the clauses set out in this document shall take precedence.

The Terms and Conditions listed below are incorporated by reference and made a part of this Contract. Unless otherwise limited in this Contract, each document applies in its entirety.

To the extent that any clause included in this PSFD is inapplicable to the performance of this Contract, the parties shall consider such clauses to be self-deleting and shall not impose any obligations upon the SELLER.

1. Add the following clause(s):

DFARS 252.219-7004 Small Business Subcontracting Plan (Test Program) (Jun 2012)
(Does not apply if contract is for a "Commercial item" as defined in FAR Part 2.101)

DFARS 252.225-7012 Preference for Certain Domestic Commodities. (Jun 2012) (Applies if Seller is furnishing any of the items covered by this clause.)

DFARS 252.227-7017 Identification and Assertion of Use, Release, or Disclosure Restrictions. (Jan 2011) ("Offeror" means "Seller." Contracting Officer" means "Lockheed Martin or Contracting Officer." In paragraphs (a) and (b) the references to the SBIR data rights clause are deleted.)

DFARS 252.234-7002 Earned Value Management System. (May 2011) (Does not apply if contract is for a "Commercial item" as defined in FAR Part 2.101) ("Government" means "Lockheed Martin and Government." Paragraphs (i) and (j) are deleted.)

DFARS 252.239-7001 Information Assurance Contractor Training and Certification (Jan 2008)

DFARS 252.243-7002 Requests for Equitable Adjustment (Dec 2012) (Does not apply if contract is for a "Commercial item" as defined in FAR Part 2.101) (Applies to subcontracts over \$150,000.)

DFARS 252.245-7001 Tagging, Labeling, and Marking of Government-Furnished Property (Apr 2012) (Applies to subcontracts where the items furnished by the subcontractor will be subject to serialized tracking.)

DFARS 252.245-7004 Reporting, Reutilization, and Disposal (Apr 2012) ("Contracting Officer" means Lockheed Martin.)

DFARS 252.246-7000 Material Inspection and Receiving Report (Mar 2008) (Applies if this contract requires delivery of Items directly to the Government.)

FAR 52.215-23 Limitations on Pass-Through Charges Alternate 1 (Oct 2009) (Does not apply if contract is for a "Commercial item" as defined in FAR Part 2.101) (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 the threshold for obtaining cost or pricing data in accordance with FAR 15.403-4.)

FAR 52.222-51 Exemption from Application of the Service Contract Act to Contracts for Maintenance, Calibration, or Repair of Certain Equipment--Requirements (Nov 2007)

FAR 52.222-53 Exemption from Application of the Service Contract Act to Contracts for Certain Services--Requirements (Feb 2009)

FAR 52.223-16 IEEE 1680 Standard for the Environmental Assessment of Personal Computer Products ALT I (Dec 2007) (Clause applies if computers will be delivered to the Government, acquired by the Contractor will be used in performing services at a Federally-controlled facility; or are furnished under the prime contract for use by the Government.)

FAR 52.227-1 Authorization and Consent Alternate I (Apr 1984)

FAR 52.243-2 Changes -- Cost-Reimbursement Alternate V (Apr 1984) ("Contracting Officer" and "Government" mean "Lockheed Martin." In paragraph (a) add as subparagraph (4) "Delivery schedule." In paragraph (d) the reference to the disputes clause is deleted.)

FAR 52.246-8 Inspection of Research and Development -- Cost-Reimbursement (May 2001)
("Government" means "Lockheed Martin" except (1) in paragraphs (b), (c) and (d) where it means "Lockheed Martin and the Government." and (2) in paragraph (k) where the term is unchanged.) (Does not apply if contract is for a "Commercial item" as defined in FAR Part 2.101)

NAVAIR 5252.247-9508 Prohibited Packing Materials (NAVAIR) (Jun 1998) (Applies if the contractor will be making shipments directly to the Government) (Does not apply if contract is for a "Commercial item" as defined in FAR Part 2.101)

2. The following Special Contract Requirements (H clauses) are added:

H-2 NAVAIR 5252.204-9504 Disclosure of Contract Information (Jan 2007) (DEVIATION)
(Communications with the Contracting Officer shall be made through Lockheed Martin. In paragraph (b), 10 days is changed to 20 days.)

(a) The Contractor shall not release to anyone outside the Contractor's organization any information (e.g., announcement of contract award), regardless of medium (e.g., film, tape, document), pertaining to any part of this contract or any effort directly related to the JSF Program unless—

- (1) The JSFPO has given prior written approval;
- (2) The information is otherwise in the public domain before the date of release; or
- (3) The information is being released to associate contractors, suppliers and vendors who require information for execution of the work effort under a JSF contract.

(b) Requests for approval shall identify the specific information to be released, the medium to be used, and the purpose for the release. "Information" includes but is not limited to, news releases, articles, manuscripts, brochures, advertisements, still and motion pictures, speeches, trade association meetings, symposia, published professional papers. The Contractor shall submit the original and 1 copy of the material proposed for release to the JSFPO at the following address:

Joint Strike Fighter Program Office
Attn: Public Affairs Officer
200 12th Street South, Suite 600
Arlington, VA 22202-5402

Where practicable, requests and the specific information may be provided to the Public Affairs Officer using an electronic medium appropriate for the security level of the information being transmitted. The Contractor shall submit its request to the Public Affairs Officer at least 15 working days before the proposed date for release.

(c) The Contractor shall include a statement indicating the project or effort depicted was or is sponsored by:
JSFPO

Arlington, VA 22202

(d) The Contractor agrees to include a similar requirement in each subcontract under this contract.

Subcontractors shall submit requests for authorization to release through the prime contractor to the Public Affairs Officer.

H-4 5252.227-9511 DISCLOSURE, USE AND PROTECTION OF PROPRIETARY INFORMATION (NAVAIR)(FEB 2009)(DEVIATION)

(a) During the performance of this contract, the Government may use an independent services contractor (ISC), who is neither an agent nor employee of the Government. The ISC may be used to conduct reviews, evaluations, or independent verification and validations of technical documents submitted to the Government during performance.

(b) The use of an ISC is solely for the convenience of the Government. Except as otherwise provided by separate agreement between the ISC and the seller, the ISC has no obligation to the seller. The seller is required to provide full cooperation, reasonable working facilities and access to the ISC for the purposes stated in paragraph (a) above.

(c) Since the ISC is neither an employee nor agent of the Government, any findings, recommendations, analyses, or conclusions of such a contractor are not those of the Government.

(d) The seller acknowledges that the Government has the right to use ISCs as stated in paragraph (a) above. It is possible that under such an arrangement the ISC may require access to or the use of information, which is proprietary to the seller in addition to third party proprietary data that the seller is authorized to disclose.

(e) To protect any such proprietary information from unauthorized disclosure or use, and to establish the respective rights and duties of both the ISC and seller, the seller agrees to enter into a direct agreement with any ISC as the Government requires. The ISC will be responsible for initiating contact with the seller sufficiently in advance of any work that may require facility access, cooperation from LM, or access to proprietary information belonging to the seller or to third parties who may have authorized the seller to disclose such data to enable the seller to arrange for such access and cooperation and to obtain the necessary agreements. A properly executed copy of the agreement will be provided to Lockheed Martin.

NAVAIR 5252.211-9510 Contractor Employees (NAVAIR) (May 2011)

NAVAIR 5252.227-9501 Invention Disclosures and Reports (NAVAIR) (May 1998) (Does not apply if contract is for a "Commercial item" as defined in FAR Part 2.101)

NAVAIR 5252.227-9507 Notice Regarding the Dissemination of Export-Controlled Technical Data (NAVAIR) (Oct 2005) (Paragraphs (a) through (c) of the clause shall be included in all contracts.) (Does not apply if contract is for a "Commercial item" as defined in FAR Part 2.101)

NAVAIR 5252.228-9501 Liability Insurance (NAVAIR) (Mar 1999)

(Applies if Seller will be performing work on a Government installation.) (Does not apply if contract is for a “Commercial item” as defined in FAR Part 2.101)

The following types of insurance are required in accordance with the clause entitled, “52.228-7, “Insurance—Liability to Third Persons” and shall be maintained in the minimum amounts shown:

- (a) Comprehensive General Liability: \$200,000 per person and \$500,000 per accident for bodily injury.
- (b) Automobile Insurance: \$200,000 per person and \$500,000 per accident for bodily injury and \$500,000 per accident for property damage.
- (c) Standard Workman’s Compensation and Employer’s Liability Insurance (or, where maritime employment is involved, Longshoremen’s and Harbor Worker’s Compensation Insurance) in the minimum amount of \$100,000.
- (d) Aircraft public and passenger liability: \$200,000 per person and \$500,000 per occurrence for bodily injury, other than passenger liability; \$200,000 per occurrence for property damage. Passenger bodily injury liability limits of \$200,000 per passenger, multiplied by the number of seats or number of passengers, whichever is greater.

NAVAIR 5252.232-9509 Reimbursement of Travel, Per Diem, and Special Material Costs (NAVAIR) (OCT 2006)

- (a) Area of Travel. Performance under this contract may require travel by contractor personnel. If travel, domestic or overseas, is required, the contractor is responsible for making all necessary arrangements for its personnel. These include but are not limited to: medical examinations, immunizations, passports/visas/etc., and security clearances. All contractor personnel required to perform work on any U.S. Navy vessel shall obtain boarding authorization from the Commanding Officer of the vessel before boarding.
- (b) Travel Policy. The Government will reimburse the contractor for allowable travel costs incurred by the contractor in performance of the contract in accordance with FAR Subpart 31.2, all costs incurred for lodging , meals and incidental expenses required for tasks assigned under this contract shall be considered reasonable and allowable only to the extent that they do not exceed on a daily basis the maximum per diem rates in affect at the time of travel as set forth in Federal Travel Regulations, prescribed by the General Services Administration for travel in the conterminous 48 United States, (hereinafter the FTR); Joint Travel Regulation, Volume 2, DoD Civilian Personnel, Appendix A, prescribed by the Department of Defense, for travel in Alaska, Hawaii, The Commonwealth of Puerto Rico, and territories and possessions of the United States (hereinafter JTR); and Standardized Regulations (Government Civilians, Foreign Areas), Section 925, "Maximum Travel Per Diem Allowances for Foreign Areas," prescribed by the Department of State, for travel in areas not covered in the FTR or JTR (hereinafter the SR).
- (c) Travel. Travel and subsistence are authorized for travel beyond a fifty-mile radius of the contractor’s office whenever a task assignment requires work to be accomplished at a temporary alternate worksite. No travel or subsistence shall be charged for work performed within a fifty-mile radius of the contractor’s office. The contractor shall not be paid for travel or subsistence

for contractor personnel who reside in the metropolitan area in which the tasks are being performed. Travel performed for personal convenience, in conjunction with personal recreation, or daily travel to and from work at the contractor's facility will not be reimbursed.

(1) For travel costs other than described in paragraph (c) above, the contractor shall be paid on the basis of actual amount paid to the extent that such travel is necessary for the performance of services under the contract and is authorized by the COR in writing.

(2) When transportation by privately owned conveyance is authorized, the contractor shall be paid on a mileage basis not to exceed the applicable Government transportation rate as contained in the FTR, JTR or SR. Authorization for the use of privately owned conveyance shall be indicated in the basic contract. Distances traveled between points shall be shown on invoices as listed in standard highway mileage guides. Reimbursement will not exceed the mileage shown in the standard highway mileage guides.

(3) The contractor agrees, in the performance of necessary travel, to use the lowest cost mode commensurate with the requirements of the mission as set forth in the basic contract and in accordance with good traffic management principles. When it is necessary to use air or rail travel, the contractor agrees to use coach, tourist class, or similar accommodations to the extent consistent with the successful and economical accomplishment of the mission for which the travel is being performed.

(4) The contractor shall retain receipts or other evidence substantiating actual costs incurred for authorized travel as required by FAR Subpart 4.7, Contractor Records Retention, and FAR 52.215-2, Audit and Records – Negotiation (OCT 2010). In no event will such payments exceed the rates of common carriers.

(d) Vehicle and/or Truck Rentals. The contractor shall be reimbursed for actual rental/lease of special vehicles and/or trucks (i.e., of a type not normally used by the contractor in the conduct of its business) only if authorized in the basic contract or upon approval by the COR. Reimbursement of such rental shall be made based on actual amounts paid by the contractor. Use of rental/lease costs of vehicles and/or trucks that are of a type normally used by the contractor in the conduct of its business are not subject to reimbursement.

(e) Car Rental. The contractor shall be reimbursed for car rental, exclusive of mileage charges, as authorized in the basic contract or upon approval by the COR, when the services are required to be performed beyond the normal commuting distance from the contractor's facilities. Car rental for a team on TDY at one site will be allowed for a minimum of four (4) persons per car, provided that such number or greater comprise the TDY team.

(f) Per Diem. The contractor shall not be paid for per diem for contractor personnel who reside in the metropolitan areas in which the tasks are being performed. Per Diem shall not be paid on services performed within a fifty-mile radius of the contractor's home office or the contractor's local office. Per Diem is authorized for contractor personnel beyond a fifty-mile radius of the contractor's home or local offices whenever a task assigned requires work to be done at a temporary alternate worksite. Per Diem shall be paid to the contractor only to the extent that overnight stay is necessary and authorized under this contract. The authorized per diem rate shall be the same as the prevailing per diem in the worksite locality. These rates will be based on rates contained in the FTR, JTR or SR. The applicable rate is authorized at a flat seventy-five (75%) percent on the day of departure from contractor's home or local office, and on the day of return.

Reimbursement to the contractor for per diem shall be limited to actual payments to per diem defined herein. The contractor shall provide actual payments of per diem defined herein. The contractor shall provide supporting documentation for per diem expenses as evidence of actual payment.

(g) Shipboard Stays. Whenever work assignments require temporary duty aboard a Government ship, the contractor will be reimbursed at the per diem rates identified in paragraph C8101.2C or C81181.3B(6) of the Department of Defense Joint Travel Regulations, Volume II.

(h) Special Material. "Special material" includes only the costs of material, supplies, or services which is peculiar to the ordered data and which is not suitable for use in the course of the contractor's normal business. It shall be furnished pursuant to specific authorization approved by the COR. The contractor will be required to support all material costs claimed by its costs less any applicable discounts. "Special materials" include, but are not limited to, graphic reproduction expenses, or technical illustrative or design requirements needing special processing.

3. Summary of Changes:

Original Release issued, dated 4/2/2013