



LOCKHEED MARTIN CORPORATION
PRIME SUPPLEMENTAL FLOWDOWN DOCUMENT (PSFD)
ADDITIONAL TERMS AND CONDITIONS FOR SUBCONTRACTS/PURCHASE ORDERS
UNDER

JSF BLOCK 2B OT UPGRADE MODIFICATIONS
(N00019-13-C-0003)

Generated using the of Lockheed Martin CorpDocs 2013 Version

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Original

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.

In the event of a conflict between the version or date of a clause set forth in this document and the version or date of a clause set forth in the identified CorpDocs, the version or date of the clauses set forth in this document shall take precedence.

1. The dates of the following FAR and DFARS clauses are modified as follows:

FAR 52.222-22 Previous Contracts and Compliance Reports (Feb 1999)

FAR 52.248-1 Value Engineering (Oct 2010)
(Applies to Cost Reimbursement CLINS)

DFARS 252.211-7003 Item Identification and Valuation (June 2013)

DFARS 252.227-7013 Rights in Technical Data – Noncommercial Items (Feb 2012)

DFARS 252.227-7014 Rights in Noncommercial Computer Software and Noncommercial (Feb 2012)

DFARS 252.246-7003 Notification of Potential Safety Issues (June 2013)

DFARS 252.247-7023 Transportation of Supplies by Sea (June 2013)

2. The following FAR, DFARS, and other Agency clauses are added:

FAR 52.227-3 Patent Indemnity (APR 1984) Alt II This patent indemnification shall apply to Commercial Item (as defined in FAR 2.101) included within the end item deliverable.

FAR 52.227-11 Alt I – Patent Rights – Ownership by the Contractor (Jun 1989)

(Applies if this contract, at any tier, is for experimental, developmental, or research work. Reports required by this clause shall be filed the agency identified in this contract. If no agency is identified, contact Lockheed Martin's authorized purchasing representative identified on the face of the contract. Does not apply if contract is for a commercial item as defined in FAR Part 2.101.)

FAR 52.229-8 Taxes -- Foreign Cost-Reimbursement Contracts (Mar 1990)

(Paragraph (a), insert: any country in which the contractor or any of its subcontractors performs work under this contract. In paragraph (b), "Contracting Officer" and "Government of the United States" mean "Lockheed Martin." Does not apply if contract is for a commercial item as defined in FAR Part 2.101.)

FAR 52.232-16 – Progress Payments (April 2012)

(Applies to suppliers paid by means of progress payments)

("Contracting Officer" means "Lockheed Martin" except in paragraph (g) where it means "Lockheed Martin or Contracting Officer." "Government" means "Lockheed Martin" except: (1) in paragraphs (d), (e) and (j)(5) where the term is unchanged and (2) in paragraphs (g) and (i) where it means "Lockheed Martin and the Government.")

FAR 52.232-32 – Performance Based Payments (April 2012)

(Applies to suppliers paid by means of performance based payments)

("Contracting Officer" and "Government" mean "Lockheed Martin" except with respect to title for property where the references to the Government shall be unchanged. (Subparagraph (c)(2) of the provision is deleted.)

FAR 52.232-17 Interest (Oct 2010)

("Government" means "Lockheed Martin." Does not apply if contract is for a commercial item as defined in FAR Part 2.101.)

FAR 52.245-9 Use and Charges (Apr 2012)

(Applies to subcontracts where Government property will be provided or if the subcontract involves the use of Government property. Communications with the Government under this clause will be made through Lockheed Martin.)

FAR 52.246-15 Certificate of Conformance (Aug 1984)

(Applies if this contract requires delivery of Items directly to the Government.)

FAR 52.247-68 Report of Shipment (REPSHIP) (Feb 2006)

(Applies if this contract requires delivery of Items directly to the Government.)

DFARS 252.204-7000 Disclosure of Information (Dec 1991)

(In paragraph (b) "Contracting Officer" means "Lockheed Martin" and "10 days" means "20 days.")

DFARS 252.211-7005 Substitution of Military or Federal Specifications and Standards (Nov 2005)

DFARS 252.211-7006 Passive Radio Frequency Identification (Sep 2011)

(Applies when subcontractors will make direct shipments meeting criteria at FAR 211.275-2 to the Government of items covered by the clause.)

DFARS 252.225-7012 Preference for Certain Domestic Commodities (Dec 2012)

(Applies if Seller is furnishing any of the items covered by this clause.)

DFARS 252.225-7025 Restrictions on Acquisition of Forgings (Dec 2009)

(Applies if the Work contains forging items described by the clause. Does not apply if contract is for a commercial item as defined in FAR Part 2.101.)

DFARS 252.225-7028 Exclusionary Policies and Practices of Foreign Governments (Apr 2003)

(Does not apply if contract is for a commercial item as defined in FAR Part 2.101.)

DFARS 252.225-7030 Restriction on Acquisition of Carbon, Alloy, and Armor Steel (Dec 2006)

(Applies if this order is if for carbon, alloy, and armor steel plate in Federal supply class 9515, or described by American Society for Testing Materials (ASTM) or American Iron and Steel Institute (AISI) specifications. Does not apply if contract is for a commercial item as defined in FAR Part 2.101.)

DFARS 252.225-7032 Waiver of United Kingdom Levies – Evaluation of Offers (Apr 2003)

(Applies if Seller is a United Kingdom firm. "Contracting Officer means "Lockheed Martin." Does not apply if contract is for a commercial item as defined in FAR Part 2.101.)

DFARS 252.227-7015 Technical Data – Commercial Items (Dec 2011)

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. Does not apply if contract is for a commercial item as defined in FAR Part 2.101.)

DFARS 252.228-7001 Ground and Flight Risk (Jun 2010)

(In paragraph (a)(1)(i) "this contract" means "the prime contract." The following is added at the beginning of the clause: "Communications between Seller and the Government shall be made through Lockheed Martin. Any equitable adjustment provided for this clause shall be implemented in this contract to the extent such adjustment is implemented in the prime contract." Subparagraphs (d)(2)(ii), (d)(3)(ii) and the last sentence of subparagraph (j)(2) are deleted. Does not apply if contract is for a commercial item as defined in FAR Part 2.101.)

DFARS 252.234-7002 Earned Value Management System (May 2011)

("Government" means "Lockheed Martin and Government." Paragraphs (i) and (j) are deleted. Does not apply if contract is for a commercial item as defined in FAR Part 2.101.)

252.239-7016 Telecommunications Security Equipment, Devices, Techniques, and Services (Dec 1991)

(Applies if this contract requires securing telecommunications. Does not apply if contract is for a commercial item as defined in FAR Part 2.101.)

252.243-7002 Requests for Equitable Adjustment (Dec 2012)

("Government" means "Lockheed Martin." Does not apply if contract is for a commercial item as defined in FAR Part 2.101.)

DFARS 252.244-7000 Subcontracts for Commercial Items and Commercial Components (Jun 2012)

DFARS 252.246-7000 Material Inspection and Receiving Report (Mar 2008)

(Applies if this contract requires delivery of Items directly to the Government.)

NAVAIR 5252.204-9501 National Stock Numbers (Mar 2007)

("Contracting Officer" means "Lockheed Martin." Does not apply if contract is for a commercial item as defined in FAR Part 2.101.)

NAVAIR 5252.204-9504 Disclosure of Contract Information (Jan 2007)

(Communications with the Contracting Officer shall be made through Lockheed Martin. In paragraph (b), 10 days is changed to 20 days. Does not apply if contract is for a commercial item as defined in FAR Part 2.101.)

NAVAIR 5252.247-9507 Packaging and Marking of Reports (Oct 2005)

NAVAIR 5252.247-9508 Prohibited Packing Materials (Jun 1998)

(Applies if Seller will make shipments under this contract directly to the Government. Does not apply if contract is for a commercial item as defined in FAR Part 2.101.)

NAVAIR 5252.247-9509 Preservation, Packaging, Packing and Marking (Jul 1998)

(Applies if Seller will make shipments under this contract directly to the Government. In subparagraph (b), "Contract Number" means "Lockheed Martin's prime contract number and the number assigned to this contract." Does not apply if contract is for a commercial item as defined in FAR Part 2.101.)

3. The following Section H is added:

SECTION H – SPECIAL PURCHASE ORDER REQUIREMENTS

For purposes of this Section H, "Government" means the United States Government.

H-1 PRESERVATION OF RIGHTS FOR TECHNICAL DATA, COMPUTER SOFTWARE, AND COMPUTER SOFTWARE DOCUMENTATION ACCESSED, DELIVERED, OR PROVIDED ELECTRONICALLY

Information, whether delivered under any CDRL or contractor equivalent form of this contract or in response to any other requirement contained in this contract shall be provided via the JDL that would be deemed Technical Data under DFARS 252.227-7013 (Feb 2012), “Rights In Technical Data—Noncommercial Items,” or Software and Software Documentation under DFARS 252.227-7014 (Feb 2012), “Rights in Noncommercial Software and Noncommercial Software Documentation,” if it were delivered in written form, shall not lose its status as technical data, software or software documentation solely because access by the Government or delivery by the Contractor is by electronic means. The rights of the parties shall be as specified in DFARS 252.227-7013 and DFARS 252.227-7014.

H-8 5252.204-9504 DISCLOSURE OF INFORMATION (JAN 2007) (VARIATION)

(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 contact award), regardless of medium (e.g., film, tape, document), pertaining to any part of this contract or any effort directly related to the F-35 Lightning II Joint Strike Fighter (JSF) Program unless—

- (1) The F-35 Joint Program Office (JPO) 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, subcontractors, suppliers, or vendors who require the information for execution of work under an F-35 Lightning II 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, and professional papers to be published. The Contractor shall submit the original and 1 copy of the information proposed for release to the JSFPO at the following address:

F-35	Joint	Program	Office
Attn:	Public	Affairs	Officer
200	12th	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:

F-35	Joint	Program	Office
Arlington, VA 22202			

(d) The Contractor agrees to include a similar requirement in each subcontract or purchase order under this contract. Subcontractors, suppliers, and vendors shall submit requests for authorization to release through the prime contractor to the Public Affairs Officer.

H-9 5252.228-9501 LIABILITY INSURANCE (NAVAIR) (MAR 1999)

(Applies if Seller will be performing work on a Government installation.

The following types of insurance are required in accordance with the clause entitled, "FAR 52.228-5, "Insurance--Work on a Government Installation" 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 \$TBD 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.

H-14 5252.227-9507 NOTICE REGARDING THE DISSEMINATION OF EXPORT-CONTROLLED TECHNICAL DATA (NAVAIR) (OCT 2005)

- (a) Export of information contained herein, which includes release to foreign nationals within the United States, without first obtaining approval or license from the Department of State for items controlled by the International Traffic in Arms Regulations (ITARs), or the Department of Commerce for items controlled by the Export Administration Regulations (EAR), may constitute a violation of law.
- (b) For violation of export laws, the contractor, its employees, officials or agents are subject to:
 - (1) Imprisonment and/or imposition of criminal fines; and
 - (2) Suspension or debarment from future Government contracting actions.
- (c) The Government shall not be liable for any unauthorized use or release of export-controlled information, technical data or specifications in this contract.
- (d) The contractor shall include the provisions or paragraphs (a) through (c) above in any subcontracts awarded under this contract.

H-19 WORK SHARE AGREEMENTS

The Contractor shall not enter into any new work share agreements with any subcontractors that specify that a subcontractor will receive a certain amount of business based solely on a dollar amount or percentage of contract or program cost.

H-23 5252.211-9510 CONTRACTOR EMPLOYEES (NAVAIR) (MAY 2011)

(a) In all situations where contractor personnel status is not obvious, all contractor personnel are required to identify themselves to avoid creating an impression to the public, agency officials, or Congress that such contractor personnel are Government officials. This can occur during meeting attendance, through written (letter or email) correspondence or verbal discussions (in person or telephonic), when making presentations, or in other situations where their contractor status is not obvious to third parties. This list is not exhaustive. Therefore, the contractor employee(s) shall:

- (1) Not by word or deed give the impression or appearance of being a Government employee;
- (2) Wear appropriate badges visible above the waist that identify them as contractor employees when in Government spaces, at a Government-sponsored event, or an event outside normal work spaces in support of the contract/order;
- (3) Clearly identify themselves as contractor employees in telephone conversations and in all formal and informal written and electronic correspondence. Identification shall include the name of the company for whom they work;
- (4) Identify themselves by name, their company name, if they are a subcontractor the name of the prime contractor their company is supporting, as well as the Government office they are supporting when participating in meetings, conferences, and other interactions in which all parties are not in daily contact with the individual contractor employee; and
- (5) Be able to provide, when asked, the full number of the contract/order under which they are performing, and the name of the Contracting Officer's Representative.

(b) If wearing a badge is a risk to safety and/or security, then an alternative means of identification maybe utilized if endorsed by the Contracting Officer's Representative and approved by the Contracting Officer.

(c) The Contracting Officer will make final determination of compliance with regulations with regard to proper identification of contractor employees.

H-24 5252.227-9511 DISCLOSURE, USE AND PROTECTION OF PROPRIETARY INFORMATION (NAVAIR) (FEB 2009)

(The term "prime contractor" means "Seller.")

- (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. The ISC has no obligation to the prime contractor. The prime contractor is required to provide full cooperation, working facilities and access to the ISC for the purposes stated in paragraph (a) above.
- (c) Since the ISC is neither an employee nor an agent of the Government, any findings, recommendations, analyses, or conclusions of such a contractor are not those of the Government.
- (d) The prime contractor 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 (other than restricted cost or pricing data), which is proprietary to the prime contractor.
- (e) To protect any such proprietary information from disclosure or use, and to establish the respective rights and duties of both the ISC and prime contractor, the prime contractor agrees to enter into a direct agreement with any ISC as the Government requires. A properly executed copy (per FAR 9.505-4) of the agreement will be provided to the Procuring Contracting Officer.

**H-26 5252.246-9526 PROVISIONAL ACCEPTANCE UNDER SPECIAL CONDITIONS
(NAVAIR) (OCT 2005)**

- (a) Acceptance under Special Conditions. The Government may, in the discretion of the Contracting Officer, finally or provisionally accept any supply prior to completion of work on such supply in the following situations:
 - (1) When the contractor, despite the exercise of due diligence, encounters unavoidable delay in securing contractor-furnished property;
 - (2) When Government-furnished property suitable for installation in any supply to be furnished hereunder is not delivered to the contractor in sufficient time to permit installation by the contractor prior to the date the supply is scheduled for delivery; or,
 - (3) When defects or deficiencies are known to exist in the supply, but when correction of the defects or deficiencies is not practicable within the delivery schedule set forth in the contract.
- (b) Pending completion of any supply provisionally accepted under this provision, the Contracting Officer shall withhold an amount from the contract price that represents the estimated value of the work remaining to be performed. The withhold will be released after final acceptance.

H-27 NON-COMPLIANT SPECIALTY METALS



AN/APG-81 AESA radars to be incorporated into LRIP Lot 8 F-35 aircraft to be delivered under this contract contain high performance magnets in the circulators that do not comply with the specialty metals restrictions contained in DFARS 252.225-7009, Restriction on Acquisition of Certain Articles Containing Specialty Metals (JUN 2012). Pursuant to 10 U.S.C. § 2533b(k), the Under Secretary of Defense (Acquisition, Technology, and Logistics) approved on 14 November 2012 a national security waiver authorizing the Department of Defense, acting through the Naval Air Systems Command and the Defense Contract Management Agency, to accept LRIP Lot 8 F-35 aircraft with AN/APG-81 AESA radars containing non-compliant specialty metals in the high performance magnets in the circulators.