

LM Aeronautics Supplemental Clauses:

The following clauses appear on all purchase orders and contracts issued by or on behalf of Lockheed Martin Aeronautics. To satisfy the needs of customers, some automated clauses are applicable based on the dollar threshold of the purchase order or are program specific. The contents are as follows:

- I. Referenced Documents
- II. Self-Certification
- III. Environmental, Safety, and Health
 - a. Hazardous Material
 - b. Hazardous Material Shipments to the Fort Worth Facility Only
 - c. Material Safety Data Sheets
 - d. Contractor Environment Safety and Health Handbook
 - e. Registration, Evaluation, Authorization, and Restriction of Chemicals(REACH)
- IV. Defense Priorities and Allocations System (DPAS)
- V. Shipping Instructions
- VI. Taxes
- VII. Buyer Acceptance at Source
- VIII. Foreign Object Damage
- IX. Background Checks
- X. A83 Note "Engineering Specification Requirements"
- XI. Performance Notifications and Disclosure
 - a. Accounting, Billing, Earned Value, Procurement, Estimating, or Property Management Systems
 - b. Strike Notifications
 - c. Diminishing Manufacturing Sources
 - d. Change in Ownership, Relocation, or Transfer of Manufacturing operations
 - e. Seller' Points of Contact
 - f. Other Notifications and Disclosures
- XII. F-35 Program Specific Requirements
 - a. Government Process Surveillance
 - b. F-35 IUID Bar-Coding Label Requirements for Build-To-Packages (BTP) Parts
- XIII. Change Log

I. **Referenced Documents**

Copies of documents referenced in this purchase order, or contract, may be obtained from the Lockheed Martin Aeronautics Supply Chain Management (SCM) internet home page at <http://www.lockheedmartin.com/aeronautics/materialmanagement/>, or from the Buyer's representative.

II. **Self-Certification**

The terms and conditions referenced in this purchase order, or contract, may include self-certification statements. By acceptance of this purchase order, or contract, Seller confirms its acceptance of the applicable self-certification statements contained in the terms and conditions

referenced herein.

III. Environmental, Safety, and Health

a. Hazardous Material:

Seller warrants that items delivered under, or brought onto Buyer's premises in the performance of this purchase order, or contract, do not contain any of the hazardous material listed, as of the effective date of this purchase order, or contract, on the hazardous materials elimination list (HMEL) under the heading "I. Banned Materials." The HMEL is available at the following location:

<http://www.lockheedmartin.com/aeronautics/materialmanagement/> (available under "**Terms & Conditions**", subheading "**ES&H**") Seller agrees to indemnify Buyer against any loss, damage or liability, including removal costs, by reason of Seller's violation of this warranty.

b. Hazardous Material Shipments to the Fort Worth Facility Only:

Lockheed Martin Aeronautics requires each shipment of hazardous material to be accompanied by a completed hazardous material information form to be attached to the packing slip for products delivered to the Fort Worth facility. The completed form (Form Number 11914) is required to assist Lockheed Martin Aeronautics with the environmental reports to comply with state and federal environmental regulations. This form can be accessed on the LM Aero Material Management external website

<http://www.lockheedmartin.com/aeronautics/materialmanagement/> under the "**Terms & Conditions**" section, then drop down the "**Forms and Information**" section. Alternatively, contact the Buyer's representative for an electronic copy.

c. Material Safety Data Sheets - Shipments To All Facilities (including Fort Worth):

Attach a copy of the Material Safety Data Sheet (MSDS) to the packing sheet. Include the Lockheed Martin assigned MSDS number, purchase order number and supplier name to be applied to each container of the product being shipped. The Lockheed Martin assigned MSDS number for this product is located at the line item level text.

d. Contractor Environment Safety & Health Handbook:

If during the performance of this purchase order or contract, Seller or Seller's employees, subcontractors or agents enter onto Buyer's premises, the requirements outlined in PM-8013 contractor environment safety & health handbook (latest revision) and the applicable site environment safety & health orientation for Marietta, Fort Worth or Palmdale shall apply. PM-8013 and the applicable site environment safety & health orientation for Marietta, Fort Worth or Palmdale can be viewed on Buyer's website:

<http://www.lockheedmartin.com/aeronautics/materialmanagement/> available under "**Terms & Conditions**" subheading "**ESH**." Alternatively, contact the Buyer's representative for an electronic copy.

e. Registration, Evaluation, Authorization, and Restriction of Chemicals (REACH)

If work delivered by Seller under this Contract will be incorporated into deliverable goods for use in the European Economic Area, Seller may be required to identify any Substances of Very High Concern from the Candidate List as defined under European Union Regulation (EC) No 1907/2006 concerning the Registration, Evaluation, Authorization and Restriction of Chemicals (REACH). Upon request, Seller agrees (1) to provide to Lockheed Martin, at no increase in contract price, information regarding the identified chemical's name, amount contained, total part weight and safe usage information, and (2) to permit Lockheed Martin to disclose such information to the customer or regulatory authorities for the purpose of compliance with the REACH regulation. If at any time the product's chemical composition changes after a response is provided, Seller is required to provide Lockheed Martin with the revised information. Current Candidate List chemicals can be found on the European Chemicals Agency website available at:

http://echa.europa.eu/chem_data/authorisation_process/candidate_list_table_en.asp

For more information on REACH, please contact the Lockheed Martin REACH Program Office at reach.info@lmco.com.

IV. Defense Priorities and Allocations System (DPAS)

This is a rated order for national defense use when a DPAS Rating is entered, and Seller is required to follow all the Provisions of the Defense Priorities and Allocations System Regulation(15 CFR 700).

V. Shipping Instructions

If this is a normal purchase order, or contract, with one or more items to be shipped, the latest revision of PM5010 - Supplier Shipping Instructions is hereby incorporated in this purchase order, or contract, by reference and applies to all items or work shipped except those items or work, if any, specified for shipment on DD250 in accordance with PM-801. PM5010 and PM-801 may be obtained from Buyer's website: <http://www.lockheedmartin.com/aeronautics/materialmanagement> under "Shipping," subheading "Shipping Instructions."

If a ship-to address is provided in the detail for a specific line item, that address overrides the header-level ship-to address for that line item.

Utilization of the Lockheed Martin Carrier Selection Guide located at <http://csg.lmtas.com> is required unless direction is otherwise provided by Buyer's procurement representative.

VI. Taxes

If this purchase order, or contract, contains items to be shipped to the Lockheed Martin Texas facility or taxable services to be performed in the state of Texas, the state of Texas exemption certificate for sales and use tax no. 15218936324 or Texas sales tax resale certificate no. 15218936324 prevail unless otherwise specified. Lockheed Martin Corporation will be responsible for the payment of any Texas sales and use tax applicable to this purchase.

If this purchase order, or contract, contains items to be shipped to the Lockheed Martin Georgia facility or taxable services to be performed in the state of Georgia, the state of Georgia direct payment exemption certificate for sales, excise, and use tax no. 033-79-597-92-6 prevail unless otherwise specified. Lockheed Martin Corporation will be responsible for the payment of any Georgia sales and use tax applicable to this purchase.

VII. Buyer Acceptance at Source

When this purchase order, or contract, calls for Buyer acceptance at source, Seller shall notify Buyer's field representative who normally services Seller's facility within five (5) days after receipt of this purchase order or contract. Notification shall include the purchase order, or contract, number, scheduled ship date and any special clearances required. Buyer's field representative may be obtained from the Buyer or the applicable manager found at: <http://www.lockheedmartin.com/aeronautics/materialmanagement/> under "Quality Requirements Information."

VIII. Foreign Object Damage (FOD)

If, during the performance of this purchase order or contract, Seller or Seller's employees, subcontractors or agents enter onto Buyer's premises, they may each be required to review information on the FOD prevention program and acknowledge by their respective signatures that they have done so before being allowed to enter such premises. FOD prevention program information can be viewed at <http://www.lockheedmartin.com/aeronautics/materialmanagement/> under pull-down menu "Terms & Conditions," subheading "FOD." Alternatively, contact the Buyer's representative for an electronic copy.

IX. Background Checks

Buyer (or, if this PO uses the term "Lockheed Martin" instead of the term "Buyer," then "Lockheed Martin" is substituted herein for the term "Buyer") at any time shall have the right to conduct or have conducted a criminal background check or re-check on any individual needing access to Buyer's premises. At the sole discretion of Buyer, access to Buyer's premises by any individual may be denied or revoked if either (i) Buyer determines that such individual is not suited to perform services in Buyer's work environment, or (ii) such individual fails or refuses to provide Buyer immediately upon request the information and documentation needed to verify such individual's identity, qualifications and, if any, criminal history. Buyer's decision to deny anyone access shall not be construed as Buyer's opinion or determination concerning any matter whatsoever other than access to Buyer's premises.

X. A83 Note "Engineering Specification Requirements"

If A83 is called out at the item level you must review the text for A83 located on the Lockheed Martin external webpage at: <http://www.lockheedmartin.com/aeronautics/materialmanagement/> under "Engineering" then "A83."

XI. Performance Notifications and Disclosures Clause

This performance notifications and disclosures clause only applies to this contract if the value of this contract exceeds \$100,000.

The terms Buyer, Seller, Purchase Order (PO or MPO), and Item (plural items) have the same meanings as the terms Lockheed Martin, Seller, Contract, and Work, respectively.

Seller agrees to respond to Lockheed Martin's requests for information, not more than monthly, regarding the status of required disclosures and notifications.

a. Accounting, Billing, Earned Value, Procurement, Estimating, or Property Management Systems

If Seller's accounting, earned value, procurement, estimating, or property management systems are reviewed by a government agency, and if there is any material change in the status of the government agency's determination of adequacy or approval of any such system, Seller shall notify Lockheed Martin prior to the submittal of Seller's next invoice.

b. Strike Notifications

If Seller becomes aware of an impending strike at its facility or at any sub-tier's supplier's facility that could potentially affect deliveries to Lockheed Martin, Seller shall promptly notify Lockheed Martin in writing.

c. Diminishing Manufacturing Sources

In the event a part becomes, or is going to become, obsolete, Seller shall immediately notify Lockheed Martin and take all reasonable steps to investigate an alternate part.

In addition to the preceding DMS requirements, Seller shall adhere to all other DMS requirements set forth elsewhere in this contract.

d. Change In Ownership, Relocation, or Transfer of Manufacturing Operations

Seller shall notify Lockheed Martin's procurement representative in writing at least 90 days in advance of any action that results in the sale, relocation of facilities, or transfer of Seller's manufacturing operations.

Seller's relocation notification should include:

- Seller's relocation plan addressing facilities, tooling, personnel, manufacturing schedules, whether any export or import license is required, and Lockheed Martin's support requirements, e.g., safety stock
- Recertification of supplier's quality management system and QCS-001 requirements
- First article inspection (FAI) requirements

e. Seller's Points Of Contact

Seller shall notify Lockheed Martin's procurement representative in writing of changes in Seller's

points of contact (POCs). Notification shall include the updated name, title, address, phone number, and e-mail address of each changed POC.

f. Other Notifications And Disclosures

Seller shall comply with all other notifications and disclosure set out in this contract.

XII. F-35 Program Specific Requirements

a. Government Process Surveillance:

Some items on this purchase order may contain items that have been assigned government source inspection (GSI) by the Defense Contract Management Agency (DCMA) at the prime contractor. When GSI has been assigned on items that are not being direct shipped/dd-250'd, government QA stamping of shipping documents is required prior to each shipment. However, stamping of 100% of shipping documents may be relaxed by your local DCMA at their discretion, and when granted in writing.

b. F-35 IUID Bar-Coding Label Requirements For Build-To-Packages (BTP) Parts:

The IUID bar-coding label requirements of PO clause DFARs 252.211-7003, Item Identification and Valuation, may have been updated since the issuance of the build-to-packages for the part numbers associated with this purchase order. To determine if IUID bar code labels are required, Seller shall refer to the "UID type" field in the Product Data Manager (PDM) system. The field will be populated with either of the following:

a. UID type 1 (UID part)

Or

b. UID type 2 (non UID part)

UID type 1 designates that IUID bar-coding labels are required. The separate notes list (SNL), which contains the part marking notes that used to appear on the face of the engineering drawing, will be automatically generated by PDM and furnished to Seller.

UID type 2 designates that IUID bar-coding labels are not required.

The UID type attribute in the PDM system takes precedence over the UID type attribute in the face-of-drawing note.

XIII. Change Log

02/15/2011: Initial Release