

PRIME CONTRACT NO. 1424/2017

The Republic of Tunisia Ministry of National Defense

Follow on Support Contract

“TAF FOS”

Prime Supplement Flowdown Document

For use with the latest version of LM CorpDocs

ORIGINAL: 18 SEP 2017

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.

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

PART I – RESERVED

PART II – LIQUIDATED DAMAGES

1. LIQUIDATED DAMAGES FOR LATE DELIVERY OF SPARES

- 1.1. SELLER shall deliver spares in accordance with the delivery schedule specified in the accepted Purchase Order.
- 1.2. Except where the delay is attributable to Force Majeure, LOCKHEED MARTIN shall be entitled to receive and SELLER shall pay liquidated damages accruing at the rate of one percent (1%) of the price of the delayed item which is subject to delay for each full day after the scheduled delivery date. The liquidated damages charged shall not exceed fifteen percent (15%) of the price of the item.
- 1.3. SELLER agrees that liquidated damages in the foregoing amounts are reasonable in light of the anticipated harm caused by the late delivery, the difficulties of the proof of loss, and the inconvenience or non-feasibility of otherwise obtaining an adequate remedy.
- 1.4. In no event shall failure to assess liquidated damages be considered a waiver of LOCKHEED MARTIN's rights in this or any other articles or clauses. Except for the non-performance of subcontractors at any tier, SELLER shall not be liable for liquidated damages if the failure to deliver Work on time arises from causes beyond the control and without the fault or negligence of SELLER.

- 1.5. The remedies contained in this clause are in addition to any remedies LOCKHEED MARTIN may have at law, equity, or under other provisions of the Contract to which this SSOW is attached.

PART III – OTHER REQUIREMENTS

In such cases where LOCKHEED MARTIN orders a repair of an item, no repair work beyond test, teardown, and evaluation may be conducted without prior authorization of LOCKHEED MARTIN. SELLER agrees to provide an estimated repair cost for authorization by LOCKHEED MARTIN and the end customer in accordance with the LM purchase order text.