

MTS/LTS Contract

**LOCKHEED MARTIN CORPORATION
LOCKHEED MARTIN AERONAUTICS COMPANY**

**APPENDIX 4B
TERMS AND CONDITIONS OF PURCHASE
C-130J PROGRAM**

1. Definitions

As used herein "Buyer" means Lockheed Martin Corporation acting through Lockheed Martin Aeronautics Company; "Seller" means the party identified on the face of this purchase order; "Items" means all required articles, materials, supplies and services (singular "Item," plural "Items"); "PO" means this purchase order; "Buyer's Authorized Representative" means the person or persons authorized by Buyer to alter, modify or change the provisions of this PO; "Government" means the "Government of the United States of America and those authorized or delegated responsibility to act on its behalf," except where specifically stated to be the government of another country; and "Prime Contract" means the contract between Buyer and its customer under which this PO is issued.

2. Delivery

- (a) Delivery according to schedule is a material condition of this PO.
- (b) In the event of termination or change, no claim will be allowed for any manufacture or procurement by Seller in advance of reasonable flow time unless Buyer's prior written consent has been obtained by Seller for such advance manufacture or procurement. Buyer shall have the right to return or store at Seller's expense any Item delivered in advance of the scheduled delivery date specified for such Item unless Buyer has given such prior written consent for such advance delivery.
- (c) If, at any time, it appears to Seller that any delivery schedule cannot be met, Seller shall notify Buyer as soon as possible as to the cause or causes thereof, action being taken to remove such cause or causes and when on-schedule status will be achieved. Seller, at its expense, shall take reasonable action necessary, with or without request of Buyer, to meet such schedules as set forth herein or to recover to the maximum extent possible any delay caused by Seller in meeting such schedule. Notification given and/or action taken by Seller under

this clause shall in no way limit Buyer's rights under other provisions of this PO, at law, or in equity.

3. Variation in Quantity

Items shall not be supplied in excess of quantities specified herein, except for allowed shipping tolerances, if any. Seller shall be liable for handling charges and return shipment costs for any excess quantities; and, unless Seller agrees to pay and does pay such charges and costs within a reasonable time, the overshipped material will be retained by Buyer at no cost and shall become the property of Buyer.

4. Prices

Unless otherwise specified, prices are f.o.b. destination and shall include all applicable federal, state and local taxes, duties, tariffs, and similar fees imposed by any government. The price includes all charges for boxing, packing, crating, drayage, storage, dunnage, and bundling. Seller warrants that prices charged for Items are not higher than those charged to any other customer, including the Government, for items of like grade and quality in similar or lesser quantities.

5. Invoices, Payments, and Discounts

Unless otherwise provided, terms of payment shall be Net 30 days from the later of the following:

- (a) Buyer's receipt of Seller's correct invoice;
- (b) scheduled delivery date, or scheduled completion of performance of the Items;
or
- (c) actual delivery, or completion of performance of the Items.

Buyer shall have a right of setoff against payments due under this PO for any amounts at issue under this PO or other purchase orders between Buyer and Seller.

6. Warranty

- (a) Seller warrants for a period of one year from the date of delivery under this PO that all Items shall be free from defects in material and workmanship and shall conform to applicable specifications, drawings and all other requirements of this PO. If Seller is responsible for the design of the Items, Seller warrants for such period that all Items delivered under this PO shall be free from defect in

design, and if Seller is responsible for designing the Items to meet specified performance requirements of Buyer, Seller warrants for such period that all such Items shall be fit and sufficient for the purposes intended by Buyer. Buyer's approval of designs furnished by Seller shall not relieve Seller of its obligations under this warranty. Seller's warranties, together with its service guarantees, if any, shall run to Buyer and its customers.

- (b) In the event of a breach of any warranty hereinabove set forth, Buyer may require Seller to repair or replace at Buyer's election defective or nonconforming Items. Seller shall be liable for the payment of all packing and transportation costs attributable to the repair or replacement of defective or non-conforming Items.
- (c) If the Items delivered under this PO are, or are to be, incorporated in an end item(s) to be delivered to Buyer's customer(s), Seller's obligation under this clause shall be extended to one year after delivery of such end items to such customer(s).
- (d) The rights and remedies of Buyer provided in this clause shall not be exclusive and are in addition to any other rights and remedies provided at law, in equity, or under this PO.

7. Compliance with Laws

- (a) Seller shall comply with the applicable provisions of all Federal, state, and local laws and ordinances and all lawful orders, rules and regulations promulgated thereunder including without limitation the Arms Export Control Act; and such compliance shall be a material requirement of this PO. Seller agrees to indemnify Buyer against any loss, cost, damage or liability by reason of Seller's violation of this clause.
- (b) Seller warrants that each chemical substance constituting or contained in Items sold or otherwise transferred to Buyer hereunder is on the list of chemical substances compiled and published by the Administrator of the Environmental Protection Administration pursuant to The Toxic Substances Control Act (15 U.S.C. Sec. 2601 et seq.) as amended.
- (c) Seller shall provide to Buyer with each delivery any Material Safety Data Sheet applicable to the Items and containing such information as required by the Occupational Safety and Health Act of 1970 and regulations promulgated thereunder.
- (d) This paragraph 7(d) contains certifications and representations that are material representations of fact upon which Buyer will rely in making awards to

Seller. By submitting its written offer, or providing oral offers/quotations at the request of Buyer, or accepting any PO, including oral orders from Buyer, Seller represents and certifies as set forth below in this clause. Seller shall immediately notify Buyer of any change of status with regard to these certifications and representations.

- (1) Previous Contracts and Compliance Reports. Seller represents that if Seller has participated in a previous contract or subcontract subject either to the Equal Opportunity clause (FAR 52.222-26) of this solicitation/PO, the clause originally contained in Section 310 of Executive Order No. 10925, or the clause contained in Section 201 of Executive Order No. 11114, (i) that Seller has filed all required compliance reports and (ii) that representations indicating submission of required compliance reports, signed by proposed subcontractors, will be obtained before subcontract awards.
- (2) Affirmative Action Compliance. Seller represents (1) that Seller has developed and has on file at each establishment, affirmative action programs required by the rules and regulations of the Secretary of Labor (41 CFR 60-1 and 60-2), or (2) that in the event such a program does not presently exist, Seller will develop and place in operation such a written Affirmative Action Compliance Program within 120 days from the award of this PO.
- (3) FAR 52.209-5 Certification Regarding Debarment, Suspension, Proposed Debarment, And Other Responsibility Matters (Applicable to solicitations/ POs in excess of \$25,000)
 - (i) Contractor certifies that, to the best of its knowledge and belief, that Contractor and/or any of its Principals, (as defined in FAR 52.209-5,) are not presently debarred, suspended, proposed for debarment, or declared ineligible for the award of contracts by any Federal agency.
 - (iii) Contractor shall provide immediate written notice to Lockheed Martin if, any time prior to award of any contract, it learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
- (4) FAR 52.203-11 Certification and Disclosure Regarding Payments to Influence Certain Federal Transactions (Applicable to solicitations and contracts exceeding \$100,000)

- (1) The definitions and prohibitions contained in the clause at FAR 52.203-12, Limitation on Payments to Influence Certain Federal Transactions are hereby incorporated by reference in paragraph (b) of this certification.
- (2) Contractor certifies that to the best of its knowledge and belief that on and after December 23, 1989--
 - (a) No Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress on his or her behalf in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment or modification of any Federal contract, grant, loan, or cooperative agreement;
 - (b) If any funds other than Federal appropriated funds (including profit or fee received under a covered Federal transaction) have been paid, or will be paid, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress on his or her behalf in connection with a solicitation or order, the offeror shall complete and submit, with its offer, OMB standard form LLL, Disclosure of Lobbying Activities, in accordance with its instructions, and
 - (c) Contractor will include the language of this certification in all subcontracts at any tier and require that all recipients of subcontract awards in excess of \$100,000 shall certify and disclose accordingly.
- (3) Submission of this certification and disclosure is a prerequisite for making or entering into a contract as imposed by section 1352, title 31, United States Code. Any person who makes an expenditure prohibited under this provision or who fails to file or amend the disclosure form to be filed or amended by this provision, shall be subject to a civil penalty of not less than \$10,000, and not more than \$100,000, for each such failure.

8. Responsibility for Property

Unless otherwise specified, Seller shall be liable for any loss or destruction of or damage to property of Buyer or of any customer property Seller whether furnished to Seller by any such customer or Buyer; and, Seller shall be responsible for returning any such property in as good condition as when received except for reasonable wear and tear and for the utilization of it in accordance with the provisions of this PO. Upon request of Buyer, such property will be delivered to Buyer at Seller's expense. Seller shall promptly notify Buyer if such property is lost, destroyed or damaged. Title thereto shall not be affected by the incorporation or attachment to any property not owned by Buyer, nor shall any such property, or any part thereof, be or become a fixture or lose its identity as personally by reason of affixation to any realty. All property furnished by Buyer shall be used solely in the performance of this PO or other POs issued by Buyer.

9. (Reserved)

10. Data Rights

(a) Rights and Reservations. The information contained in reports, drawings, documents or other records which are furnished to Seller by Buyer (hereinafter referred to as "property") relative to this PO, to the extent that such information is not in the public domain, shall not be disclosed to others, except to subcontractors as necessary for completion of this PO, in which event the subcontractors shall have the same obligation of nondisclosure and restriction on use. Such information shall not be used or reproduced for any purpose whatsoever except in the performance of work under this PO. Upon completion, termination or cancellation of this PO, Seller shall, if requested by Buyer, return all property to Buyer thirty (30) days after the effective date of such completion, termination or cancellation. Any such property of Buyer retained by Seller shall remain subject to the foregoing restrictions on use, reproduction and disclosure.

(b) Rights in Seller Data.

(1) In addition to any other provision of this PO providing Buyer and/or Buyer's customer's rights in Data delivered under this PO, Seller grants to Buyer:

(i) A worldwide, perpetual, royalty-free, nonexclusive right and license to: (A) utilize and have utilized on Buyer's behalf the Data delivered under this PO for Buyer's own internal purposes in connection with the development, certification, validation and production of the Hercules (C-130J/382J) Aircraft, and (B) disclose the Data

delivered under this PO, in confidence, to any third party for accomplishing such internal purposes, providing any such disclosure is made pursuant to a written understanding precluding unauthorized use and disclosure by provisions no less restrictive than those imposed on the Parties hereunder; and

- (ii) A worldwide, perpetual, royalty-free, nonexclusive right and license to grant to Buyer's customers the right to: (A) utilize and have utilized by Buyer's customer, the Data delivered under this PO for the operation, maintenance and repair of Hercules Aircraft, and (B) disclose the Data delivered under this PO, in confidence, to any third party for the operation, maintenance, and repair of the Hercules Aircraft, providing any such disclosure is made pursuant to a written understanding precluding unauthorized use and disclosure by provisions no less restrictive that those imposed on the parties hereunder.
- (2) Seller further agrees to negotiate in good faith with Buyer's customers and potential customers such further rights to Data of Seller, should Buyer's customers or potential customers so desire.
- (3) "Data" as used in this paragraph (b) means recorded information regardless of form or the method of recording. Data includes, but is not limited to, computer software and copyrightable works.

11. Patent Indemnity, Trademarks, Trade Secrets and Copyrights

- (a) Seller warrants that the Work performed or delivered under this Contract will not infringe or otherwise violate the intellectual property rights of any third party in the United States or any foreign country. Except to the extent that the U.S. Government assumes liability therefore, Seller agrees to defend, indemnify, and hold harmless Buyer and its customers from and against any claims, damages, losses, costs, and expenses, including reasonable attorneys' fees, arising out of any action by a third party that is based upon a claim that the Work performed or delivered under this Contract infringes or otherwise violates the intellectual property rights of any person or entity.
- (b) Seller's obligation to defend, indemnify, and hold harmless Buyer and its customers under Paragraph (a) above shall not apply to the extent FAR 52.227-1 "Authorization and Consent" applies to Buyer's Prime Contract for infringement of a U.S. patent and Buyer and its customers are not subject to any actions for claims, damages, losses, costs, and expenses, including reasonable attorneys' fees by a third party.

12. Entry on Buyer's Property; Insurance

- (a) In the event that Seller or Seller's employees, subcontractors, or agents enter onto Buyer's premises for any reason in connection with this PO, Seller and such other parties shall observe all security requirements and all plant safety, plant protection, and traffic regulations.
- (b) Seller, and any subcontractors used by Seller in connection with this PO, shall carry Worker's Compensation and Employee's Liability Insurance to cover Seller's and such subcontractors' legal liability on account of accidents to their respective employees. Seller and its subcontractors shall carry adequate Comprehensive General Liability and adequate Comprehensive Automobile Liability Insurance covering the legal liability of Seller and such subcontractors on account of accidents arising out of the operations of Seller or such subcontractors and resulting in bodily injury, including death, being sustained by any person or persons, or in any damage to property. At Buyer's request, Seller shall furnish to Buyer certificates from Seller's insurers showing such coverage in effect and agreeing to give Buyer ten (10) days' prior written notice of cancellation of such coverage.

13. Amendments Required by the Prime Contract

Seller agrees that upon Buyer's request, it will from time to time enter into amendments of this PO to incorporate additional provisions herein or to change the provisions hereof, as Buyer may reasonably deem necessary in order to comply with the provisions of the prime contract(s) or with the provisions of amendments to the prime contract(s) under which this PO is issued. If any such amendment to this PO causes an increase or decrease in the cost of this PO, or the time required for performance of this PO, an equitable adjustment shall be made in the price or delivery schedule, or both, in accordance with the provisions of the "Changes" clause of this PO.

14. Remedies/Waiver

- (a) The rights and remedies provided under this PO shall be cumulative and in addition to any other rights and remedies provided by law or equity.
- (b) Failure by Buyer either to enforce at any time the provisions hereof or to protest at any time any breach or default hereof shall not be construed as evidence to interpret the requirements of this PO, nor as a waiver of the requirements of such provisions, nor of the right of Buyer thereafter to enforce each and every

such provision. Buyer's approval of documents shall not relieve Seller from compliance with specifications related to this PO.

15. Assignment

Neither this PO nor any duty or right under it shall be delegated or assigned by Seller without the prior written consent of Buyer, except that claims for monies due or to become due under this PO may be assigned to a bank, trust company or other financing institution, including any Federal lending agency, by Seller without such consent. Seller shall furnish Buyer with two signed copies of any such assignment. Payment to an assignee of any such claim shall be subject to set-off or recoupment for any present or future claim or claims which Buyer may have against Seller. Buyer shall have the right to make direct settlements or adjustments in price, or both, with Seller under the terms of this PO notwithstanding any assignment of claims for monies due or to become due hereunder and without notice to the assignee.

16. Reserved

17. Reserved

18. Consideration

Seller shall, for the consideration hereinafter mentioned and within the time specified, accomplish all required services, testing, manufacturing and other work; deliver to Buyer the Items provided for in this PO; and grant to Buyer the right to exercise the options, if any, provided for in this PO.

19. Technical Surveillance

Buyer and authorized representatives of Buyer's customers shall have direct access to all areas of Seller's and Seller's subcontractors' plants where work under this PO is being performed, to review progress and witness testing of the Items related to this PO. Seller shall include this clause in all of Seller's subcontracts under this PO.

20. Governing Law

This PO shall be governed by and construed in accordance with the laws of the State of Georgia, USA, excluding its choice of law rules.

21. Acceptance of Order

This PO is the entire agreement between the Buyer and Seller in respect of the subject matter of this PO and is subject to the terms and conditions herein. This PO supersedes all communications, representations or agreements, oral or written, between Buyer and Seller with respect to the subject matter of this PO. Either: (a) acknowledgment of this PO, (b) furnishing of Items under this PO, (c) acceptance of payment under this PO, or (d) commencement of performance of this PO, shall constitute Seller's unqualified acceptance of this PO. Additional or differing terms or conditions proposed by Seller or included in Seller's acknowledgment hereof shall be void and have no effect unless accepted in writing by Buyer.

22. Packing, Shipment and Shipping Instructions

- (a) Unless otherwise specified by Buyer, Seller shall assure that all packing and packaging shall comply with good commercial practice and applicable carrier's tariffs. The use of commercial practices shall not relieve Seller of responsibility for packaging in a manner that will insure receipt of Items in an acceptable condition at the destination specified in this PO.
- (b) Seller shall assure the packaging, labeling and shipping of all HAZARDOUS SUBSTANCES including DANGEROUS MATERIALS, conforms to all applicable international, federal, state and local laws and regulations.
- (c) Seller shall mark on the outside of each exterior container: (i) the PO number(s) or numbers of the Items packed in that container; (ii) the sequence and quantity of each exterior container in each shipment (such as "1 of 3"); (iii) the bill of lading/express receipt number. If shipments against more than one purchase order are packed in one exterior container, mark each intermediate container with its applicable purchase order number.
- (d) Seller shall properly describe Seller's Less than Truckload shipments in accordance with the National Motor Freight Classification to insure the correct classification rate. Include this PO number on all carrier bills of lading and shipping labels. Combine on the same bill of lading, all shipments consigned to the same Buyer address and ship on the same day. No C.O.D. (Collect on Delivery) shipments will be received by Buyer. There shall be no deviation from these routing instructions unless such deviation is approved prior to shipping by Buyer's Authorized Procurement Representative or Buyer's Traffic Department.
- (e) Seller shall be responsible to Buyer for any increased costs to Buyer which result from Seller's failure to follow Buyer's routing instructions if such instructions are specified on the face of this order.

23. Public Release of Information

No public release (including, without limitation, photographs, films, announcements, denials or confirmations of same) on any part of the subject matter of this PO or any phase of any program hereunder shall be made without the prior written approval of Buyer.

24. Disputes

Except as otherwise provided in this PO, Buyer and Seller shall have the right to redress any dispute arising under or related to this PO, which is not disposed of by agreement, by pursuing any right or remedy which Buyer or Seller, as the case may be, may have at law, in equity or under this PO in any United States court of competent jurisdiction. Pending resolution of any dispute, Seller shall proceed diligently with the performance of work, including the delivery of Items in accordance with Buyer's direction. Upon resolution of any such dispute, this PO shall be equitably adjusted, if necessary, to reflect such resolution.

25. Severability of Provisions

Any provision of this PO that is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition, and shall be unenforceable in that jurisdiction without invalidating the remaining provisions hereof or affecting the validity or enforceability of such provisions in any other jurisdiction.

26. Contractual Commitments

The parties agree that there shall be no adjustment in the price, time for performance or any other provision of this PO unless Buyer's authorized representative shall have issued a written order directing a change hereto.

27. Changes

- (a) Buyer's Authorized Representative may at any time, by written notice, and without notice to sureties or assignees, make changes within the general scope of this PO in any one or more of the following: (i) drawings, designs or specifications; (ii) method of shipping or packing; (iii) place of inspection, acceptance or point of delivery; and (iv) delivery schedule.
- (b) Except as may otherwise be expressly provided in this PO, if any such change under paragraph (a) (i), (ii), or (iii) above causes an increase or decrease in the time required for performance of any part of this PO, whether or not directed by such change, Buyer shall make an equitable adjustment in the delivery schedule and the PO shall be modified accordingly in writing.

- (c) Except as may otherwise be expressly provided in this PO, if any change under paragraph (a) above causes an increase or decrease in the cost or performance of any part of this PO, whether or not directed by such change, Buyer shall make an equitable adjustment in the PO price, and the PO shall be modified accordingly in writing.
- (d) Such equitable adjustment, if any, shall be calculated in a manner similar to that used to originally price the PO and shall be for the net increase or decrease in the cost for the changed portion only. In no event shall Seller reprice any portion of the Items unaffected by the change. Seller must assert its right to an adjustment under this clause within thirty (30) days from the date of the change to which such adjustment is attributable.
- (e) Seller agrees that its failure to submit such claim or claims within the applicable time period shall constitute a waiver thereof unless, for good cause, Seller requests in writing, prior to expiration of the applicable time period that a time extension for filing its claim or claims be granted by Buyer and Buyer grants such extension. Any such extensions, if approved, shall be effective only if authorized in writing by Buyer's authorized procurement representative. Prior to final settlement of any timely filed claim or claims, Seller may submit revisions to such claims or claims provided that such revisions do not introduce different areas of costs or claim elements.
- (f) Nothing contained in this clause shall relieve Seller from proceeding without delay in the performance of this PO as changed.

28. Notification of Changes

- (a) Only Buyer's Authorized Representative may direct or redirect Seller's effort hereunder. In the event, however, Seller considers any conduct including any action, inaction, written or oral communication by Buyer or Buyer's customer to constitute a change to this PO, other than a written change

order issued by Buyer's Authorized Representative, Seller shall notify Buyer as soon as possible but in no event later than fifteen (15) days from the date Seller identifies the conduct considered to constitute a change to this PO. On the basis of the most accurate information available to Seller, the notice shall state: (1) the date, nature and circumstances of the conduct regarded as a change; (2) the name, function, and activity of each Buyer employee, customer employee and Seller employee involved in or knowledgeable about such conduct; (3) the identification of any documents and the substance of any oral communication involved in such conduct; (4) the particular elements of contract

performance which Seller considers to be affected by the conduct, including an estimate of any cost or schedule impact; (5) Seller's estimate of the time by which Buyer must respond to Seller's notice to minimize cost, delay or disruption of performance.

- (b) Seller shall take no action in reliance on the conduct considered to constitute a change unless and until Buyer's Authorized Representative issues a written change order covering the conduct in question.

29. Change and Follow-On Proposals

Circumstances may arise during the course of performance under this PO where Buyer may request Seller to submit to Buyer technical and cost proposals relating to (1) anticipated changes or modifications to this PO prior to the implementation of the change or modification under the Changes clause of this PO, or (2) potential follow-on POs for the Items furnished hereunder. In such cases, Seller agrees to furnish to Buyer a technical and/or cost proposal as requested within thirty (30) days of the request. Seller agrees to furnish current information to Buyer in sufficient detail for Buyer to determine price reasonableness and cost realism. Information furnished by Seller shall be submitted in the manner and in the detail specified in the pricing instructions included in Buyer's request for proposal.

30. Reserved.

31. Offset/Countertrade Cooperation

Buyer is currently involved in a number of foreign offset/countertrade arrangements in various foreign countries in connection with the sale of Buyer's products to foreign countries. All offset or countertrade credit value resulting from this PO shall accrue solely to the benefit of Buyer for its use on the offset/countertrade program of Buyer's choice. Seller agrees to cooperate with Buyer in the fulfillment of such foreign offset/countertrade obligations which Buyer may have undertaken or may undertake in the future. In the event Seller solicits bids, procures or offers to procure any goods or services relating to the work to be performed under this PO, Buyer shall be entitled, to the exclusion of all others, to all offset credits or other similar benefits which may result from such activity. In addition, Seller agrees to provide to Buyer, at no additional cost, a report every six months during the performance of this PO summarizing by country Seller's lower tier proposal and procurement activity related to this PO.

32. Notification of Debarment/Suspension Status

Seller shall provide immediate notice to Buyer in the event of being suspended, debarred or declared ineligible by any Department or other Federal Agency, or upon

receipt of a notice of proposed debarment from any agency, during the performance of this PO.

33. Incorporation of Certifications and Representations

All certifications and representations provided by Seller to Buyer in connection with this PO and the solicitation to which this PO relates are incorporated herein by reference. Seller acknowledges that Buyer has relied on such certifications and representations in making the award of this PO.

34. Lower-Tier Subcontracts

- (a) Notwithstanding any other provision of this PO, Seller shall not procure any of the completed or substantially completed Items described herein from any other party, by subcontract or otherwise, without the prior written consent of Buyer.
- (b) In the event Seller contemplates making an award to a lower-tier subcontractor which is a foreign concern, or a domestic concern where any defense articles or technical data may be disclosed to foreign nationals, Seller shall ensure that all necessary U.S. export licenses are obtained prior to the transfer of any defense articles or technical data or other information to the prospective lower-tier subcontractor.

35. Gifts, Gratuities, and Kickbacks

- (a) Buyer may, by written notice to Seller, terminate this PO for default if Buyer has reasonable cause to believe that gratuities or kickbacks were offered or given by Seller, or any agent or representative of Seller, to any officer, employee or representative of Buyer with a view toward securing this PO or securing favorable treatment with respect to awarding, amending or the making of any determinations with respect to the performance of this PO.
- (b) Buyer complies with the Anti-Kickback Act of 1986, 41 U.S.C. 51-58, ("the Act") and related laws and regulations. By acceptance of this PO Seller agrees:
 - (1) to comply with the Act;
 - (2) to report possible violations of the Act to and cooperate with Buyer and/or the Government in connection with the investigation of any actual or alleged violation of the Act;

- (3) to indemnify Buyer against any loss, cost, damage or liability by reason of Seller's violation of the Act including, but not limited to, any amount that Buyer is directed by the Contracting Officer to withhold from Seller; and
 - (4) that Buyer may terminate this PO for default in the event of Seller's violation of the Act in connection with this PO.
- (c) The rights and remedies of Buyer provided in this clause shall not be exclusive and are in addition to any other rights and remedies provided at law, in equity, or under this PO.

36. Defense Security Cooperation Agency Requirements

The Items furnished under this PO may be used in performance of a contract between Buyer and Buyer's customer which will be financed in whole or in part with United States Government Foreign Military Sales (FMS) credits administered by the Defense Security (DSAA).Cooperation Agency (DSCA). If Buyer notifies Seller that the Items furnished under this PO are intended for use on a DSCA financed contract, Seller agrees to furnish to Buyer, at no additional cost to Buyer, the certifications and representations required by the DSCA which are applicable to the Items furnished by Seller.

37. Product Support Requirements

- (a) In consideration of the award of this PO, Seller undertakes to support the Items from the date of acceptance of the Items: (i) until twenty five years after final acceptance by Buyer's customer of the last aircraft containing Seller's Items; or (ii) as long as there are at least five (5) C-130J aircraft in operation in the world; whichever is the later, by providing or maintaining facilities for the supply of quantities of spare parts and support equipment as are necessary to meet orders by Buyer and its customers to maintain the Items in effective operation.
- (b) Seller shall undertake during the support period described above to meet orders placed by Buyer or its customers for Items of spare parts and support equipment at prices no greater than those applying to Seller's most favored customer for like quantities and under like terms and conditions.
- (c) Where during the support period described above Seller intends to close a facility for the supply of any spare parts or support equipment, Seller upon final decision to do so shall provide Buyer with forty-eight (48) months a notice in writing of the closure, and shall specify in the notice the latest date on which Buyer may place orders for the final production run. In the event that Seller during the support period described above decides to close its facilities for manufacture of Items relevant to the Items and in respect of which it has a

proprietary interest or is for any other reason unable to continue to supply such Items, Seller shall grant to Buyer and its customers a royalty free, non-exclusive, irrevocable license to manufacture or perform, or have manufactured or performed such Items to maintain the Items in effective operation; and also to supply such data as Seller may possess and as may be necessary for the manufacture or performance of such Items.

- (d) Seller shall make reasonable efforts to include the rights of Buyer contained in this clause in all lower tier subcontracts.
- (e) Neither Buyer nor its customers shall be bound to order any spare parts and support equipment from Seller.

38. Reliance

Seller represents and acknowledges that it is, and that Buyer absolutely relies upon Seller as an expert, fully competent in all areas of the requirements of this PO. Seller expressly agrees that it will not deny any responsibility or obligation to Buyer on the basis that such was originated, approved, reviewed, or accomplished by Buyer. In addition, Seller expressly agrees and acknowledges that it has received and reviewed all drawings, specifications and documents referred to in this PO either prior to or simultaneous with the execution of this PO, and Seller represents that it has the capability and resources to design and produce all such goods or services described herein. Seller agrees that it hereby assumes all risks of impossibility of performance, and commercial impracticability, under this PO.

39. Compliance with Regulations

The following Federal Acquisition Regulation (“FAR”) and DoD FAR Supplement (“DFARS”) clauses are incorporated herein by reference, subject to the modifications/applications indicated and the following definitions: “Contract” and “schedule” means “this PO,” “Contractor” means “Seller,” except in the phrase “prime contractor,” “Subcontractor(s)” means lower-tier subcontractor(s) and “Supplies” means “Item(s).”

Part I. FAR Clauses

<u>Citation</u>	<u>Clause Name</u>
52.203-6	Restrictions on Subcontractor Sales to the Government (Jul 1995) Alternate I (Oct 1995) - Applies if this PO exceeds \$100,000.

- 52.203-7 **ANTI-KICKBACK PROCEDURES (JUL 1995)**
(IAW FAR 3.502-3) (Applicable when the simplified acquisition threshold is exceeded)
- 52.203-12 **Limitation on Payments to Influence Certain Federal Transactions (Jun 2003)** - Applies if this contract exceeds \$100,000. Change the beginning of paragraph (c)(1) to read: "Seller shall file with Lockheed Martin a disclosure form..." change "such person" to "Seller" in paragraphs (c)(1) and (c)(2).
- 52.204-2 **Security Requirements (AUG 1996)** - Applies if access to classified Information is required. The reference to the Changes clause in paragraph (c) shall mean the Changes clause of this PO.
- 52.211-5 **Material Requirements (Aug 2000)** - "Contracting Officer" means "Lockheed Martin."
- 52.211-15 **Defense Priority and Allocation Requirements (SEP 1990).**
- 52.215-2 **Audit and Records -- Negotiation (Jun 1999)** - Applies if this contract exceeds \$100,000 and if (1) this is a cost-reimbursement, incentive, time and materials or price-redeterminable contract, (2) if Seller was required to furnish cost or pricing data, or (3) this contract requires Seller to furnish cost, funding or performance reports. Alternate II applies if Seller is an educational institution or non-profit institution.
- 52.215-10 **Price Reduction for Defective Cost or Pricing Data (Oct 1997)** - Applies whenever Seller was required to furnish cost or pricing data in connection with this contract. "The Contracting Officer" means "Lockheed Martin or the Contracting Officer." "United States" and "Government" mean "Lockheed Martin." The rights and obligations under this clause shall survive completion of the work and final payment under this contract.
- 52.215-11 **Price Reduction for Defective Cost or Pricing Data -- Modifications (Oct 1997)** - Applies if submission of cost or pricing data is required for modifications under this contract. "The Contracting Officer" means "Lockheed Martin or the Contracting Officer." "United States" and "Government" mean "Lockheed Martin." The rights and obligations under this clause shall survive completion of the work and final payment under this contract.
- 52.215-12 **Subcontractor Cost or Pricing Data (Oct 1997)** - Applies if this

contract exceeds \$550000 and is not otherwise exempt from the requirement to provide cost or pricing data.

- 52.215-13 **Subcontractor Cost or Pricing Data – Modifications (Oct 1997) -**
Applies if this contract exceeds \$550,000 and modifications under this contract are not otherwise exempt from the requirement to provide cost or pricing data.
- 52.215-14 **Integrity of Unit Prices (Oct 1997) -** Applies if this contract exceeds \$100,000. Paragraph (b) is deleted.
- 52.215-15 **Pension Adjustments and Asset Reversions (Oct 2004) -** Applies if this contract meets the applicability requirements of FAR 15.408(g). Communication/notification required under this clause from/to Seller to/from the Contracting Officer shall be through Lockheed Martin.
- 52.215-16 **Facilities Capital Cost of Money (Jun 2003) -** Applicable only if this contract is subject to the cost principles at FAR Subpart 31.2 and Seller proposed facilities capital cost of money in its offer.
- 52.215-17 **Waiver of Facilities Capital Cost of Money (Oct 1997) -**Applies only if this contract is subject to the cost principles at FAR Subpart 31.2 for contracts with commercial organizations, and Seller did not propose facilities capital cost of money in its offer.
- 52.215-18 **Reversion or Adjustment of Plans for Postretirement Benefits (PRB) Other Than Pensions (Oct 1997) -** Applies if this contract meets the applicability requirements of FAR 15.408(j). Communication/notification required under this clause from/to Seller to/from the Contracting Officer shall be through Lockheed Martin
- 52.215-19 **Notification of Ownership Changes (Oct 1997) –** Applies if this contract meets the applicability requirements of FAR 15.408(k). Communication/notification required under this clause from/to Seller to/from the Contracting Officer shall be through Lockheed Martin.
- 52.215-20 **Requirements for Cost or Pricing Data or Information Other Than Cost or Pricing Data (Oct 1997) -** "Contracting Officer" means "Lockheed Martin."
- 52.215-21 **Requirements for Cost or Pricing Data or Information Other Than Cost or Pricing Data – Modifications (Oct 1997) -** "Contracting Officer" means "Lockheed Martin."

- 52.219-8 **Utilization of Small Business Concerns 1999) (Oct 2000).**
- 52.219-9 **Small, Small Disadvantaged and Women-Owned Small Business Subcontracting Plan (Jan 2002)** - Applies if this PO exceeds \$500,000, unless Seller is a small business concern. Contracting Officer" means "Buyer" in the first sentence of paragraph (c).
- 52.222-21 **Prohibition of Segregated Facilities (FEB 1999)**
- 52.222-26 **Equal Opportunity (FEB 1999).**
- 52.222-35 **Affirmative Action for Special Disabled Veterans, Veterans of the Vietnam Era and other Eligible Veterans (DEC 2001)** - Applies if this PO exceeds \$25,000.
- 52.222-36 **Affirmative Action for Workers with Disabilities (JUN 1998)** - Applies if this PO exceeds \$10,000.
- 52.222-37 **Employment Reports on Disabled Veterans, Veterans of the Vietnam Era and Other Eligible Veterans (DEC 2001)** - Applies if this PO is for \$25,000 or more.
- 52.222-39 **Notification of Employee Rights Concerning Payment of Union Dues or Fees (Dec 2004).** Paragraph (g) requires the clause be included in all subcontracts in excess of the simplified acquisition threshold.
- 52.222-41 **Service Contract Act Of 1965, As Amended (MAY 1989)**
Applies if this contract is subject to the Service Contract Act. The clause does not apply if this contract has been administratively exempted by the Secretary of Labor or exempted by 41 U.S.C. 356, as interpreted in Subpart C of 29 CFR Part 4.
- 52.222-43 **Fair Labor Standards Act and Service Contract Act Price Adjustment (Feb 2002)** -
Applies if FAR 52.222-41 applies to this contract. "Contracting Officer" means "Lockheed Martin and the Contracting Officer" except in paragraph (f) where it means "Lockheed Martin." The notice period in paragraph (f) is changed to twenty (20) days. Adjustments made to this

contract shall not be made unless or until the Contracting Officer makes appropriate adjustments to Lockheed Martin's prime contract.

- 52.223-3 **Hazardous Material Identification and Material Safety Data (Jan 1997)** - Applies if this contract involves hazardous materials. "Contracting Officer" means "Lockheed Martin;" "Government" means "Lockheed Martin and the Government." The reference to the U.S. Government contract in the legend in paragraph (e) shall be the prime contract referred to on the face of the contract.
- 52.223-7 **Notice of Radioactive Materials (Jan 1997)** - Applies if this contract is for radioactive materials. "Contracting Officer" and "Government" means "Lockheed Martin." The blank in paragraph (a) is replaced with "30 days."
- 52.223-11 **Ozone-Depleting Substances (Mar 2001)** - Applicable if the Work contains or is manufactured with ozone-depleting substances.
- 52.225-8 **Duty-Free Entry (FEB 2000)** - Applies if supplies will be imported into the Customs Territory of the United States. "Contracting Officer" means "Buyer" except in paragraphs (d) and (h). In subparagraph (b) (1) "20 days" is changed to "30 days." In subparagraph (b) (2), replace the fifth word "determines" with "has been notified." Communication/notification required under this clause from/to the Seller to/from the Contracting Officer shall be through Buyer.
- 52.225-13 **Restrictions on Certain Foreign Purchases (FEB 2000)** - Communication required under this clause from/to Seller to/from the Contracting Officer shall be through Buyer.
- 52.227-1 **Authorization and Consent (Jul 1995)**
- 52.227-2 **Notice and Assistance Regarding Patent and Copyright Infringement (Aug 1996)** - Applies if this contract exceeds \$100,000. "Contracting Officer" means "Lockheed Martin." "Government" means "Government and Lockheed Martin."
- 52.227-10 **Filing of Patent Applications -- Classified Subject Matter (Apr 1984)** - Applies if this contract involves classified subject matter.
- 52.228-5 **Insurance -- Work on a Government Installation (Jan 1997)** - Applies if this contract involves work on a Government installation. "Contracting Officer" means "Lockheed Martin." In paragraph (b)

"Government's" means "Lockheed Martin's or the Government's." Unless otherwise specified by this contract, the minimum kinds and amount of insurance shall be as described in FAR 28.307-2.

- 52.230-2 **Cost Accounting Standards (Apr 1998)** - Applies when the contract states that it is subject to full CAS coverage. "United States" means "United States or Lockheed Martin." Paragraph (b) is deleted. The following is added as a new paragraph (e): "Seller shall communicate and otherwise deal directly with the cognizant Contracting Officer to the extent practicable and permissible as to all matters relating to Cost Accounting Standards. Seller shall provide Lockheed Martin with copies of all communications concerning CAS between and the Contracting Officer if such are relevant to this contract; provided however, Seller shall not be required to disclose to Lockheed Martin such communications containing information which is privileged and confidential to Seller."
- 52.230-3 **Disclosure and Consistency of Cost Accounting Practices (May 1997)** - Applies when the contract states that it is subject to modified CAS coverage. "United States" means "United States or Lockheed Martin." Paragraph (b) is deleted. The following is added as a new paragraph (e): "Seller shall communicate and otherwise deal directly with the cognizant Contracting Officer to the extent practicable and permissible as to all matters relating to Cost Accounting Standards. shall provide Lockheed Martin with copies of all communications concerning CAS between and the Contracting Officer if such are relevant to this contract; provided however, shall not be required to disclose to Lockheed Martin such communications containing information which is privileged and confidential to Seller."
- 52.230-6 **Administration of Cost Accounting Standards (Apr 2005)** - Applies if FAR 52.230-2, 52.230-3 or 52.230-5 apply to this contract.
- 52.233-3 **Protest After Award (AUG 1996)** - "Protest" means "protest under the prime contract," "Contracting Officer" and "Government" mean "Buyer." "30 days" is changed to "20 days."
- 52.234-1 **Industrial Resources Developed Under Defense Production Act Title III (Dec 1994)** - "Contracting Officer" means "Lockheed Martin."
- 52.237.2 **Protection of Government Buildings, Equipment, and Vegetation (APR 1984)**
Applicable to contracts for services to be performed on Government installations, unless a construction contract is contemplated.

"Government" means "Government or Lockheed Martin," and "Contracting Officer" means "Lockheed Martin."

- 52.242-13 **Bankruptcy (Jul 1995)** - "Contracting Officer" and "Government" mean "Lockheed Martin."
- 52.242-15 **Stop Work Order (AUG 1989)** - "Government" and "Contracting Officer" mean "Buyer."
- 52.244-6 **Subcontracts for Commercial Items (Dec 2004)**
- 52.245-2 **Government Property (Fixed-Price Contracts) (May 2004)** - "Contracting Officer" means "Buyer;" "Government" means "Buyer" except (1) in the terms "Government-furnished property" and "Government property;" (2) the second time it appears in Paragraph (b)(l)(ii); (3) in Paragraph (c)(1). In paragraph (f), and in paragraph (j) and subparagraph (j) (1), "Government" means "Buyer/Government." The fourth sentence of paragraph (h) is changed to read: "Neither the Government nor Buyer shall be liable..." The following is added as paragraph (m): "Seller agrees to provide Buyer immediate notice of any disapproval, withdrawal of approval, or nonacceptance by the Government of Seller's property control system."
- 52.245-17 **Special Tooling (APR 1984)** - "Contracting Officer" means "Buyer," "Government" means "Buyer or the Government" except in paragraph (c) where it means "Buyer." The time period set forth in paragraph (i) is changed to 180 days.
- 52.245-18 **Special Test Equipment (FEB 1993)** - "Contracting Officer" means "Buyer," and "Government" means "Buyer or Government" except in the third sentence of paragraph (c) where it means "Buyer." The time period set forth in paragraphs (b) and (c) is changed to sixty (60) days.
- 52.246-2 **Inspection of Supplies – Fixed Price (Aug 1996)**
"Government" means "Lockheed Martin and the Government" except in paragraphs (f), (j), and (l) where it means "Lockheed Martin."
"Contracting Officer" means "Lockheed Martin."
- 52.246-4 **Inspection of Services- Fixed Price (August 1996)**
"Government" means "Lockheed Martin and the Government" except in paragraphs (e) and (f) where it means "Lockheed Martin."
- 52.247-63 **Preference for U.S. Flag Air Carriers (Jun 2003).** Paragraph (e)

expressly requires this clause to be included in all subcontracts which may involve international air transportation.

- 52.248-1 **Value Engineering (Feb 2000)** - Applies if this contract exceeds \$100,000. "Contracting Officer" means "Lockheed Martin," "contracting office" means "US Government contracting office," "Government" means "Lockheed Martin" except in subparagraph (c)(5) and paragraph (m) where it means "Lockheed Martin and the Government." Also, "Government" does not mean "Lockheed Martin" in the phrase "Government costs."
- 52.249-2 **Termination for Convenience (Fixed-Price) (SEP 1996)** - "Government" and "Contracting Officer" mean "Buyer" except in paragraph (m) where "Government" means "Buyer and the Government" and "Contracting Officer" means "Buyer and the Contracting Officer." In paragraph (d) the reference to "one year" is changed to "six months," and in paragraph (k) the reference to "90 days" is changed to "forty-five (45) days." Paragraph (i) is deleted.
- 52.249-8 **Default (APR 1984)** - "Government" and "Contracting Officer" mean "Buyer" except in paragraph (c) where "Government" means "Government."

Part II. DFARS Clauses

<u>Citation</u>	<u>Clause Name</u>	<u>Date</u>
252.203-7001	Prohibition on Persons Convicted of Fraud or other Defense Contract-Related Felonies	(Dec 2004)
	- Applies if this contract exceeds \$100,000. The terms "contract" "contractor" and "subcontract" are not modified in paragraphs (a) through (d). Paragraph (g) is deleted.	
252.204-7000	Disclosure of Information	(Dec 1991).
	Paragraph (c) expressly requires this clause, or a similar clause to be included in all subcontracts.	
252.208-7000	Intent to Furnish Precious Metals as Government Furnished Material.	
	Paragraph (d) expressly required the clause be included in all solicitations for subcontracts unless it is known that the item being purchased does not contain precious metals.	
252.211-7000	Acquisition Streamlining	(Dec 1991)
	- Applies if this contract exceeds \$1,000,000. "Government" means "Lockheed Martin."	

- 252.211-7003 **ITEM IDENTIFICATION AND VALUATION (JAN 2004)**
(Applicable as called out in the individual supplier statement of work)
- 252.215-7000 **Pricing Adjustments (Dec 1991)** - Applies if the FAR clause entitled "Subcontractor Cost or Pricing Data" or "Subcontractor Cost or Pricing Data - Modifications" apply to this contract.
- 252.219-7003 **Small, Small Disadvantaged and Women-owned Small Business Subcontracting Plan (DoD Contracts) (Apr 1996)** - Applies if FAR 52.219-9 is included in this contract. Paragraph (g) is deleted.
- 252.222-7000 **Restrictions on Employment of Personnel (Mar 2000).** Paragraph (b) expressly requires the clause to be included in all subcontracts.
- 252.223-7001 **Hazard Warning Labels (Dec 1991)** - Applies if this contract requires the delivery of hazardous materials as defined in the clause.
- 252.223-7002 **Safety Precautions for Ammunition and Explosives (May 1994)** - Applies if this contract involves ammunition or explosives. "Contracting Officer" means "Lockheed Martin" except in paragraph (c)(4) where it means "Contracting Officer" as it relates to government personnel. "Government" means "Lockheed Martin and the Government."
- 252.223-7003 **Change in Place of Performance - Ammunition and Explosives (Dec 1991)** - Applies if this contract involves ammunition or explosives. "Contracting Officer" means "Lockheed Martin." "Government" means "Lockheed Martin and the Government."
- 252.223-7007 **Safeguarding Sensitive Conventional Arms, Ammunition, and Explosives (Sep 1999)** - Applies if this contract is for the development, production, manufacture, or purchase of AA&E; or when AA&E will be provided to Seller as Government-furnished property.
- 252.225-7001 **Buy American Act and Balance of Payments Program (Mar 1998)**
- 252.225-7002 **Qualifying Country Sources as Subcontractors (DEC 1991).**
- 252.225-7006 **Quarterly Reporting of Actual Contract Performance Outside the United States (Apr 2005)** - Applies if this contract exceeds \$500,000. Paragraph (c) is deleted.

- 252.225-7009 **Duty-Free Entry -- Qualifying Country End Products and Supplies (AUG 2000)** - Applies if this PO is for supplies.
- 252.225-7010 **Duty-Free Entry - Additional Provisions (AUG 2000)**
- 252.225-7012 **Preference for Certain Domestic Commodities (APR 2002)**
- 252.225-7013 **Duty – Free Entry (Jan 2005).** Paragraph (g) expressly requires that the clause be included in all subcontracts for: (i) Qualifying country components; or (ii) Non-qualifying country components for which the Contractor estimates that duty will exceed \$200 per unit.
- 252.225-7014 **Preference for Domestic Specialty Metals (Apr 2003) Alternate I (Apr 2003)** - Applies if the Supplies furnished under this PO contain specialty metals.
- 252.225-7016 **Restriction on Acquisition of Ball and Roller Bearings (DEC 2000)**
Does not apply if this PO is for a commercial item. If the PO is for other than a commercial item, applies if the supplies contain ball or roller bearings. "Contracting Officer" means "Lockheed Martin or Contracting Officer."
- 252.225-7022 **Restriction on Acquisition of Polyacrylonitrile (PAN) Carbon Fiber.** While flowdown is not required by the clause, it cannot be complied with without including the clause in subcontracts that involve use of the materials covered by this clause.
- 252.225-7027 **Limitation on Sales Commissions and Fees (MAR 1998)** - The reference to the clause in paragraph (a) means FAR 52.203-5. The blank in paragraph (b) (1) is completed with "any Government." Subparagraph (b) (2) is deleted.
- 252.225-7028 **Exclusionary Policies and Practices of Foreign Governments (DEC 1991).**
- 252.225-7030 **Restriction on Acquisition of Carbon, Alloy, & Armor Steel Plate (Oct 1992).** While flowdown is not expressly required by the clause, it should be included in subcontracts 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, furnished as a deliverable item under the prime contract.
- 252.225-7033 **Waiver of United Kingdom Levies (Apr 2003)** - Applies if this PO

exceeds \$1,000,000 and Seller is a United Kingdom firm.

- 252.225-7043 **Antiterrorism/Force Protection Policy for Defense Contractors Outside the United States (Jun 1998)** - Applies if this contract involves travel or performance outside the United States.
- 252.226-7001 **Utilization of Indian Organizations, Indian-Owned Economic Enterprises, and Native Hawaiian Small Business Concerns (Sep 2004)** - Communications between the Contracting Officer and Seller shall be made through Buyer. Buyer shall have no liability to Seller for any incentive payment under this clause unless and until the Government provides said incentive payment to Buyer.
- 252.227-7013 **Rights in Technical Data -- Noncommercial Items (Nov 1995)** - "Government" means "Lockheed Martin and the Government"
- 252.227-7014 **Rights in Noncommercial Computer Software and Noncommercial Computer Software Documentation (Jun 1995)** – "Government" means "Lockheed Martin and the Government"
- 252.227-7015 **Technical Data - Commercial Items (NOV 1995)** - Applies to all commercial Items furnished under this PO.
- 252.227-7016 **Rights in Bid or Proposal Information (Jun 1995)** - "Government" means "Lockheed Martin and the Government."
- 252.227-7019 **Validation of Asserted Restrictions -- Computer Software (Jun 1995)** - "Government" means "Lockheed Martin and the Government." "Contracting Officer" means "Lockheed Martin" or "Contracting Officer."
- 252.227-7025 **Limitations on the Use or Disclosure of Government-Furnished Information Marked with Restrictive Legends (Jun 1995)** - In paragraph (c) (1) "Government" means "Lockheed Martin and Government."
- 252.227-7025 **Limitations on the Use or Disclosure of Government-Furnished Information Marked with Restrictive Legends (Jun 1995)** - In paragraph (c) (1) "Government" means "Lockheed Martin and Government."
- 252.227-7026 **Deferred Delivery of Technical Data or Computer Software (Apr 1988)** - Applicable if this contract includes a requirement for deferred delivery data. "Government" means "Lockheed Martin."

- 252.227-7027 **Deferred Ordering of Technical Data or Computer Software (Apr 1988)** - "Government" means "Lockheed Martin and Government."
- 252.227-7028 **Technical Data or Computer Software Previously Delivered to the Government (Jun 1995)** - The term "contract" and "subcontract" shall not change in meaning.
- 252.227-7030 **Technical Data -- Withholding of Payment (Mar 2000)** - "Contracting Officer" means "Lockheed Martin." "Government" means "Lockheed Martin or Government."
- 252.227-7037 **Validation of Restrictive Markings on Technical Data (Sep 1999)**
- 252.228-7005 **Accident Reporting and Investigation Involving Aircraft, Missiles, and Space Launch Vehicles (Dec 1991)** - "Administrative Contracting Officer" means "Lockheed Martin" and "Government" means "Lockheed Martin and Government."
- 252.231-7000 **Supplemental Cost Principles (Dec 1991)**
- 252.235-7003 **Frequency Authorization (Dec 1991)** - Applies if this contract requires the development, production, construction, testing, or operation of a device for which a radio frequency authorization is required. "Contracting Officer" means "Lockheed Martin."
- 252.243-7001 **Pricing of Contract Modifications (Dec 1991)**
- 252.243-7002 **Requests for Equitable Adjustment (MAR 1998)** - Applies if this PO exceeds \$100,000. "Government" means "Buyer or the Government"
- 252.246-7000 **Material Inspection and Receiving Report (Mar 2003).** Flowdown is not expressly required by the clause, but it should be included in all subcontracts that authorize direct shipments by the subcontractor to the Government.
- 252.247-7023 **Transportation of Supplies by Sea (MAR 2002)** -In paragraph (g) "Government" and "Contracting Officer" mean "Lockheed Martin" and the words "of the Prompt Payment clause" are deleted. If this contract is less than \$100,000 only paragraphs (a) through (e) of the clause applies.
- 252.247-7024 **Notification of Transportation of Supplies by Sea (MAR 2000)** - Applies (1) if this PO is for noncommercial items , or (2) if this PO is for

commercial items that meet the definition of paragraph (b)(2) of the clause. "Contracting Officer" means "Buyer."
252.249-7002 **Notification of Anticipated Contract Termination or Reduction (Dec 1996)** - Applies if this contract equals or exceeds \$500,000. "Contracting Officer" means "Lockheed Martin." Subparagraphs (d) (1) and the first 5 words of subparagraph (d) (2) are deleted.

Part III. AFFAR Supplement Clauses

5352.242-9000 **CONTRACTOR ACCESS TO AIR FORCE INSTALLATIONS (JUN 2002)**
Applies if Seller will perform work on a Government installation. "Contracting Officer" means "Lockheed Martin." In paragraph (e) "the prime contractor" means "Seller."

Part IV. AFFAR Supplement Clauses

5352.247-9006 **MARKING OF WARRANTED ITEMS (AFMC) (JUL 1997)**

40. Barred Software

Seller, unless it has obtained Buyer's prior written consent, which Buyer may withhold in Buyer's sole discretion, shall not provide Buyer with software that incorporates or embeds software in, or uses software in connection with, as part of, bundled with, or alongside any (1) open source, publicly available, or "free" software, library or documentation, (2) software licensed under the General Public License ("GPL") or Lesser/Library GPL, the Artistic License (e.g., PERL), the Mozilla Public License, the Netscape Public License, the Sun Community Source License, the Sun Industry Standards License, or variations thereof, including without limitation licenses referred to as "GPL-Compatible, Free Software License" (hereinafter referred to as the "Barred Licenses") or (3) software provided under a license that (a) subjects the provided software to any of the Barred Licenses, or (b) requires the provided software to be licensed for the purpose of making derivative works or be redistributable at no charge, or (c) obligates Buyer to sell, loan, distribute, disclose or otherwise make available or accessible to any third party(ies) (i) the provided software or any portion thereof, in object code and/or source code formats, or (ii) any products incorporating the provided software, or any portion thereof, in object code or source code formats.

Seller, at its own expense, shall defend Buyer, Buyer's employees, and/or Buyer's customers against any and all claims, suits and other actions relating to the use of provided software, however arising, including without limitation those arising from claims of violation of Barred License provisions or claims of infringement of any patent,

trademark, copyright or trade secret right relating to the use of any Barred License in Items furnished by Seller.