**A. INCORPORATION OF FAR AND DFARS CLAUSES**

The FAR and DFARS clauses referenced below are incorporated herein by reference, with the same force and effect as if they were given in full text, and are applicable, including any notes following the clause citation, to this Contract. If the date or substance of any of the clauses listed below is different from the date or substance of the clause actually incorporated in the Prime Contract referenced by number herein, the date or substance of the clause incorporated by said Prime Contract shall apply instead. The Contracts Disputes Act shall have no application to this Contract, and nothing in this Contract grants SELLER a direct claim or cause of action against the U.S. Government. Any reference to a "Disputes" clause shall mean the "Disputes" clause of this Contract. SELLER shall include in each lower-tier subcontract the appropriate flow down clauses as required by the FAR and FAR Supplement clauses included in this Contract.

**B. GOVERNMENT SUBCONTRACT**

(a) This Contract is entered into by the parties in support of a U.S. Government contract.

(b) As used in the FAR and DFARS clauses referenced below and otherwise in this Contract:

1. "Commercial Item" means a commercial item as defined in FAR 2.101.

2. "Commercially available off-the-shelf (COTS) item" means a COTS item as defined in FAR 2.101

3. "Contract" means this contract.

4. "Contracting Officer" shall mean the U.S. Government Contracting Officer for LOCKHEED MARTIN's government prime contract under which this Contract is entered.

5. "Contractor" and "Offeror" means the SELLER, which is the party identified on the face of the Contract with whom Lockheed Martin is contracting, acting as the immediate subcontractor to LOCKHEED MARTIN.

6. "Prime Contract" means the contract between LOCKHEED MARTIN and the U.S. Government or between LOCKHEED MARTIN and its higher-tier contractor who has a contract with the U.S. Government.

7. "Subcontract" means any contract placed by SELLER or lower-tier subcontractors under this Contract.

**SUPPLEMENTAL TERM(S) ADDED**:

|  |  |  |  |
| --- | --- | --- | --- |
| **Clause No.** | **Title** | **Date** | **Modifications** |
| 252.211-7007 | Reporting of Government-Furnished Property. | 8/1/2012 | Applies if Seller will be in possession of Government property for the performance of this contract. |
| 252.211-7008 | Use of Government-Assigned Serial Numbers | 9/1/2010 | None. |
| 252.225-7025 | Restriction on Acquisition of Forgings. | 12/1/2009 | Applies if the Work contains forging items described by the clause. |
| 252.243-7002 | Requests for Equitable Adjustment. | 12/1/2012 | "Government" means "Lockheed Martin." |
| 252.245-7001 | Tagging, Labeling, and Marking of Government-Furnished Property. | 4/1/2012 | N/A. |
| 252.245-7004 | Reporting, Reutilization, and Disposal. | 12/1/2017 | "Contracting Officer" means Lockheed Martin. |
| 52.203-16 | Preventing Personal Conflicts of Interest. | 12/1/2011 | None. |
| 52.232-16A | (DEVIATION 2020-O0010) Progress Payments. (DEVIATION 2020-O0010) | 3/1/2020 | "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." |
| 52.232-39 | Unenforceability of Unauthorized Obligations. | 6/1/2013 | None. |
| 52.245-9 | Use and Charges. | 4/1/2012 | Communications with the Government under this clause will be made through Lockheed Martin. |
| 5252.202-9101 | ADDITIONAL DEFINITIONS | 5/1/1993 |  |
| 5252.227-9113 | GOVERNMENT-INDUSTRY DATA EXCHANGE PROGRAM | 10/1/2006 |  |

**SUPPLEMENTAL PRIME CONTRACT (N00024-19-D-6200) FLOW DOWN REQUIREMENTS ADDED**:

**H-246-H001 CALIBRATION SYSTEM REQUIREMENTS (NAVSEA) (DEC 2020)**

(a) Definitions:

(1) Test, Measurement, and Diagnostic Equipment (TMDE). Includes all devices used to measure, calibrate, gage, test, inspect, diagnose, or otherwise examine materials, supplies, and equipment to quantitatively or qualitatively determine compliance with specifications and tolerances, engineering drawings, technical orders, technical manuals, or use requirements and instructions.

(2) Calibration Standard. A measuring instrument or artifact used as a reference to establish and maintain the accuracy of other measuring instruments or artifacts. Calibration standards may be used to calibrate other standards of lesser accuracy or to calibrate test and measurement equipment directly.

(3) Calibration. The comparison of a measurement system or device of unverified accuracy with a measurement system of known and greater accuracy to detect deviation of the unverified measurement system from required performance specifications (of the unverified measurement system or device) and to quantify all measured values to applicable units of the international system of units.

(4) Calibration Service Providers. Commercial calibration activities and other government agencies that provide calibration services to the Navy and Marine Corps as a major line of business.

(5) Commercial Service Providers. Suppliers of Navy test, measurement, and diagnostic equipment, including original equipment manufacturers, who may calibrate their own products but are not engaged in calibration as a major line of business, and other commercial laboratories that provide low volume, model specific, or unique parameter calibration services.

(6) Measurement Traceability. The property of a measurement result that can be related to a national or international measurement standard through a documented, unbroken chain of calibrations, each with a stated measurement uncertainty. Individual measurement results must be traced through an unbroken chain of calibrations to accepted references, such as: U.S. national standards such as, the U.S. Naval Observatory, ratio and consensus standards, natural physical constants, or the national standards of other countries correlated with U.S. national standards as held or directed by National Institute of Standards and Technology and Department of Defense (DoD) approved sources.

(7) The End of Period Measurement Reliability. The probability that all the applicable measurement quantities of a test, measurement, and diagnostic equipment are within tolerance at the end of the calibration interval assigned to the given test, measurement, and diagnostic equipment.

(8) Calibration Interval. The periodicity between calibrations that is assigned to achieve Navy end of period measurement reliability objectives for test, measurement, and diagnostic equipment.

(9) The Probability of False Acceptance. The probability that a test used to verify that a measurement quantity is within specified tolerances results in an incorrect acceptance decision.

(10) The Probability of False Rejection. The probability that a test used to verify that a measurement quantity is within specified tolerances results in an incorrect rejection decision.

(11) The Test Uncertainty Ratio (TUR). The ratio of the difference between the upper and lower tolerance limits for a measurement quantity subject to calibration, to the difference between the upper and lower 95 percent uncertainty limits for the measurement process used for calibration.

(b) Test, measurement, and diagnostic equipment and automatic test systems are used to monitor and test systems, equipment, devices, and the environmental conditions under which these systems and personnel operate. The accuracy of Navy and Contractor test, measurement, and diagnostic equipment and automatic test systems used for quantitative and qualitative measurements are ensured through measurement traceability. The Contractor is required to ensure that all test, measurement and diagnostic equipment used for quantitative or qualitative measurements is maintained and calibrated in accordance with U.S. national standards ANSI/NCSL Z540.3 Requirements for the Calibration of Measuring and Test Equipment, dated 3 Aug 2006 or ISO/IEC 17025 General Requirements for the Competence of Testing and Calibration Laboratories (3rd Edition), dated 29 Nov 2017.

(c) Calibration certification to Navy standard NAVSEA 04-4734B, Navy and Marine Crops Calibration Laboratory Audit/Certification Manual, 1 Dec 2006, is acceptable in place of NCSL Z540.3 and ISO/IEC 17025:2017 accreditations. ANSI/NCSL Z540.3 and ISO/IEC 17025:2017 accreditations must be performed by an U.S. headquartered accreditation body that is a signatory of the Navy Calibration Cooperative Agreement. Calibration accreditation must include the parameters required to execute the calibration at appropriate ranges and tolerances. A calibration certificate meeting the requirements of ISO/IEC 17025:2017 or ANSI/NCSL Z540.3 must be provided with the returned calibrated unit. The calibration certificate must be evaluated to confirm that the calibration was performed within the laboratory's accreditation scope. For activities certificated to NAVSEA 04-4734B, calibrations

must be evaluated to confirm that the calibration was performed within the laboratory’s NAVSEA certification, and calibration event records shall be provided to the Government upon request. Calibration intervals that deviate from NAVSEA OD 45845, Metrology Requirements List (METRL), shall reflect TMDE end of period reliability greater than 85%. TMDE reliability data shall be provided upon request. TURs shall be greater than 4:1 or ensure a probability of false acceptance of 2% or less and a probability of false rejections of 15% or less. Calibration procedures and methods used by the contractor shall be provided to the Government upon request.

(d) All calibrations supporting this contract shall meet the requirements of OPNAVINST 3960.16. If the Contractor subcontracts or outsources the initial or reoccurring calibration of test, measurement, and diagnostic equipment, the respective calibration laboratory must also meet the requirements of paragraphs (b) and (c).

(e) Calibration service providers and commercial service providers, and all of their employees, who supply or calibrate Navy test, measurement, and diagnostic equipment, shall be certified or accredited to the requirements of the NAVSEA manual or the ISO or ANSI specifications cited in paragraphs (b) and (c).

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**HQ C-2-0002 ACCESS TO PROPRIETARY DATA OR COMPUTER SOFTWARE (NAVSEA) (JUN 1994)**

(a) Performance under this contract may require that the Contractor have access to technical data, computer software, or other sensitive data of another party who asserts that such data or software is proprietary. If access to such data or software is required or to be provided, the Contractor shall enter into a written agreement with such party prior to gaining access to such data or software. The agreement shall address, at a minimum, (1) access to, and use of, the proprietary data or software exclusively for the purposes of performance of the work required by this contract, and (2) safeguards to protect such data or software from unauthorized use or disclosure for so long as the data or software remains proprietary. In addition, the agreement shall not impose any limitation upon the Government or its employees with respect to such data or software. A copy of the executed agreement shall be

provided to the Contracting Officer. The Government may unilaterally modify the contract to list those third parties with which the Contractor has agreement(s).

(b) The Contractor agrees to: (1) indoctrinate its personnel who will have access to the data or software as to the restrictions under which access is granted; (2) not disclose the data or software to another party or other Contractor personnel except as authorized by the Contracting Officer; (3) not engage in any other action, venture, or employment wherein this information will be used, other than under this contract, in any manner inconsistent with the spirit and intent of this requirement; (4) not disclose the data or software to any other party, including, but not limited to, joint venturer, affiliate, successor, or assign of the Contractor; and (5) reproduce the restrictive stamp, marking, or legend on each use of the data or software whether in whole or in part.

(c) The restrictions on use and disclosure of the data and software described above also apply to such information received from the Government through any means to which the Contractor has access in the performance of this contract that contains proprietary or other restrictive markings.

(d) The Contractor agrees that it will promptly notify the Contracting Officer of any attempt by an individual, company, or Government representative not directly involved in the effort to be performed under this contract to gain access to such proprietary information. Such notification shall include the name and organization of the individual, company, or Government representative seeking access to such information.

(e) The Contractor shall include this requirement in subcontracts of any tier which involve access to information covered by paragraph (a), substituting "subcontractor" for "Contractor" where appropriate.

(f) Compliance with this requirement is a material requirement of this contract.

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**HQ C-2-0008 ASSIGNMENT AND USE OF NATIONAL STOCK NUMBERS (NAVSEA) (MAY 1993) –**

To the extent that National Stock Numbers (NSNs) or preliminary NSNs are assigned by the Government for the identification of parts, pieces, items, subassemblies or assemblies to be furnished under this contract, the Contractor shall use such NSNs or preliminary NSNs in the preparation of provisioning lists, package labels, packing lists, shipping containers and shipping documents as required by applicable specifications, standards or Data item Descriptions of the contract or as required by orders for spare and repair parts. The cognizant Government Contract Administration Office shall be responsible for providing the Contractor such NSNs or preliminary NSNs which may be assigned and which are not already in possession of the Contractor.

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**HQ C-2-0011 COMPUTER SOFTWARE AND/OR COMPUTER DATABASE(S) DELIVERED TO AND/OR RECEIVED FROM THE GOVERNMENT (NAVSEA) (APR 2004)**

(a) The Contractor agrees to test for viruses all computer software and/or computer databases, as defined in the clause entitled "RIGHTS IN NONCOMMERCIAL COMPUTER SOFTWARE AND NONCOMMERCIAL COMPUTER SOFTWARE DOCUMENTATION" (DFARS 252.227-7014), before delivery of that computer software or computer database in whatever media and on whatever system the software is delivered. The Contractor warrants that any such computer software and/or computer database will be free of viruses when delivered.

(b) The Contractor agrees to test any computer software and/or computer database(s) received from the Government for viruses prior to use under this contract.

(c) Unless otherwise agreed in writing, any license agreement governing the use of any computer software to be delivered as a result of this contract must be paid-up and perpetual, or so nearly perpetual as to allow the use of the computer software or computer data base with the equipment for which it is obtained, or any replacement equipment, for so long as such equipment is used. Otherwise the computer software or computer database does not meet the minimum functional requirements of this contract. In the event that there is any routine to disable the computer software or computer database after the software is developed for or delivered to the Government, that routine shall not disable the computer software or computer database until at least twenty-five calendar years after

the delivery date of the affected computer software or computer database to the Government.

(d) No copy protection devices or systems shall be used in any computer software or computer database delivered under this contract to restrict or limit the Government from making copies. This does not prohibit license agreements from specifying the maximum amount of copies that can be made.

(e) Delivery by the Contractor to the Government of certain technical data and other data is now frequently required in digital form rather than as hard copy. Such delivery may cause confusion between data rights and computer software rights. It is agreed that, to the extent that any such data is computer software by virtue of its delivery in digital form, the Government will be licensed to use that digital-form with exactly the same rights and limitations as if the data had been delivered as hard copy.

(f) Any limited rights legends or other allowed legends placed by a Contractor on technical data or other data delivered in digital form shall be digitally included on the same media as the digital-form data and must be associated with the corresponding digital-form technical data to which the legends apply to the extent possible. Such legends shall also be placed in human readable form on a visible surface of the media carrying the digital-form data as delivered, to the extent possible.

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**HQ C-2-0024 EXTENSION OF COMMERCIAL WARRANTY (NAVSEA) (NOV 1996)**

The Contractor shall extend to the Government the full coverage of any standard commercial warranty normally offered in a similar commercial sale, provided that such warranty is available at no additional cost to the Government. The Contractor shall provide a copy of the standard commercial warranty with the item. The standard commercial warranty period shall begin upon the final acceptance of the applicable material or software. Acceptance of the standard commercial warranty does not waive the Government’s rights under the “Inspection” clause, nor does it limit the Government’s rights with regard to other terms and conditions of the contract. In the event of a conflict, the terms and conditions of the contract shall take precedence over the standard commercial warranty.

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**HQ C-2-0063 USE OF NAVY SUPPORT CONTRACTORS FOR OFFICIAL CONTRACT FILES (NAVSEA) (APR 2004)**

(a) NAVSEA may use a file room management support contractor, hereinafter referred to as "the support contractor", to manage its file room, in which all official contract files, including the official file supporting this procurement, are retained. These official files may contain information that is considered a trade secret, proprietary, business sensitive or otherwise protected pursuant to law or regulation, hereinafter referred to as “protected information”. File room management services consist of any of the following: secretarial or clerical support; data entry; document reproduction, scanning, imaging, or destruction; operation, management, or maintenance of paperbased or electronic mail rooms, file rooms, or libraries; and supervision in connection with functions listed herein.

(b) The cognizant Contracting Officer will ensure that any NAVSEA contract under which these file room

management services are acquired will contain a requirement that:

(1) The support contractor not disclose any information;

(2) Individual employees are to be instructed by the support contractor regarding the sensitivity of the official contract files;

(3) The support contractor performing these services be barred from providing any other supplies and/or services, or competing to do so, to NAVSEA for the period of performance of its contract and for an additional three years thereafter unless otherwise provided by law or regulation; and,

(4) In addition to any other rights the contractor may have, it is a third party beneficiary who has the right of direct action against the support contractor, or any person to whom the support contractor has released or disclosed protected information, for the unauthorized duplication, release, or disclosure of such protected information.

(c) Execution of this contract by the contractor is considered consent to NAVSEA's permitting access to any information, irrespective of restrictive markings or the nature of the information submitted, by its file room management support contractor for the limited purpose of executing its file room support contract responsibilities.

(d) NAVSEA may, without further notice, enter into contracts with other contractors for these services. Contractors are free to enter into separate non-disclosure agreements with the file room contractor. (Please contact Director, E Business Division for contractor specifics.) However, any such agreement will not be considered a prerequisite before information submitted is stored in the file room or otherwise encumber the government.

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**HQ D-1-0001 Data Packaging (NAVSEA) OCT 2016**

Data to be delivered by Integrated Digital Environment (IDE) or other electronic media shall be as specified in the contract.

All unclassified data to be shipped shall be prepared for shipment in accordance with best commercial practice.

Classified reports, data, and documentation shall be prepared for shipment **i**n accordance with National Industrial Security Program Operating Manual (NISPOM), DOD 5220.22-M dated 28 February 2006 with Change 2 dated 18 May 2016.

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**HQ D-2-0005 IDENTIFICATION MARKING OF PARTS – ALTERNATE I (NAVSEA) (APR 2015)**

(a) Identification marking of individual parts within the systems, equipments, assemblies, subassemblies, components, groups, sets or kits, and of spare and repair parts shall be done in accordance with applicable specifications and drawings. To the extent identification marking of such parts is not specified in applicable specifications or drawings, such marking shall be accomplished in accordance with the following:

(1) Parts not manufactured to Government specifications shall be marked in accordance with generally accepted commercial practice.

(2) Parts manufactured to Government specifications shall be marked as follows:

(i) Electrical Parts - that is, all parts in electrical equipments and electrical parts when used in equipments which are not electrical in nature (e.g., electric controls and motors in a hydraulic system) - shall be identified and marked in accordance with MIL-STD-1285D(1) dated 10 November 2010, or, where MIL-STD-1285D(1) does not cover such a part, in accordance with MIL-STD-130N(1) dated 16 November 2012. Requirements of MIL-STD-1686C dated 25 October 1995 for Electrostatic Discharge Control shall be addressed.

(ii) Electronic Parts - that is, all parts in electronic equipments and electronic parts when used in equipments which are not electronic in nature (e.g., electronic fuel controls in some engines) - shall be identified and marked in accordance with Requirement 67 of MIL-HDBK-454B dated 15 April 2007. Requirements of MIL-STD-1686C for Electrostatic Discharge Control shall be addressed.

(iii) Parts other than electrical or electronic parts (as described above) shall be identified and marked in accordance with MIL-STD-130N(1).

(b) In cases where parts are so small as not to permit identification marking as provided above, such parts shall be appropriately coded so as to permit ready identification.

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**HQ D-2-0007 MARKING AND PACKING LIST(S) - ALTERNATE I (NAVSEA) (APR 2015)**

(a) Marking. Shipments, shipping containers and palletized unit loads shall be marked in accordance with MIL-STD-129R dated 18 February 2014.

(b) Packing List(s). A packing list (DD Form 250 Material Inspection and Receiving Report may be used) identifying the contents of each shipment, shipping container or palletized unit load shall be provided by the Contractor with each shipment in accordance with the above cited MIL-STD. When a contract line item identified under a single stock number includes an assortment of related items such as kit or set components, detached parts or accessories, installation hardware or material, the packing list(s) shall identify the assorted items.

Where DD Form 1348-1 or DD Form 1348-1A is applicable and an assortment of related items is included in the shipping container, a packing list identifying the contents shall be furnished.

(c) Master Packing List. In addition to the requirements in paragraph (b) above, a master packing list shall be prepared where more than one shipment, shipping container or palletized unit load comprise the contract line item being shipped. The master packing list shall be attached to the number one container and so identified.

(d) Part Identification. All items within the kit, set, installation hardware or material shall be suitably segregated and identified within the unit pack(s) or shipping container by part number and/or national stock number. Refer to the above cited MIL-STD for marking of assorted (related-unrelated) items.

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**HQ E-2-0004 COST OF QUALITY DATA (NAVSEA) (MAY 1995)**

Cost of Quality Data: The contractor shall maintain and use quality cost data as a management element of the quality program. The specific quality cost data to be maintained and used will be determined by the contractor. These data shall, on request, be identified and made available for "on site" review by the Government representative.

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**HQ E-2-0008 INSPECTION AND TEST RECORDS (NAVSEA) MAY 1995)**

Inspection and Test Records: Inspection and test records shall, as a minimum, indicate the nature of the observations, number of observations made, and the number and type of deficiencies found. Data included in inspection and test records shall be complete and accurate, and shall be used for trend analysis and to assess corrective action and effectiveness.

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**HQ E-2-0014 QUALITY IN SOFTWARE DEVELOPMENT AND PRODUCTION (NAVSEA) (MAY 1995)**

Quality in Software Development and Production: The contractor's software quality program shall be an integral part of the overall Quality Assurance Program. Software quality program controls shall be applicable to all project software that is developed, maintained, or modified within the following categories:

(a) All deliverable software

(b) All deliverable software that is included as part of deliverable hardware or firmware.

(c) Non deliverable software (commercially available or user-developed) used for development, fabrication, testing, or acceptance of deliverable software or hardware (includes automated fabrication, test, and inspection/acceptance equipment software and software design, test, and inspection tools).

d) Commercially available, reusable, or Government software designated as part of a deliverable item.

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**HQ E-2-0017 USE OF CONTRACTOR'S INSPECTION EQUIPMENT (NAVSEA) (MAY 1995)**

Use of Contractor's Inspection Equipment: The contractor's gages, and measuring and testing devices shall be made available for use by the Government when required to determine conformance with contract requirements. If conditions warrant, the contractor's personnel shall be made available for operations of such devices and for verification of their accuracy and condition.

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**HQ G-2-0009 SUPPLEMENTAL INSTRUCTIONS REGARDING INVOICING (NAVSEA) (APR 2015)**

For other than firm fixed price subcontractors, subcontractors are also required to provide labor categories, rates, and hours (both straight time and overtime) invoiced; as well as, a cost breakdown of ODCs, materials, and travel invoiced. Supporting documentation may be encrypted before submission to the prime contractor for WAWF invoice submittal. Subcontractors may email encryption code information directly to the Contracting Officer (CO) and Contracting Officer Representative (COR). Should the subcontractor lack encryption capability, the subcontractor may also email detailed supporting cost information directly to the CO and COR; or other method as agreed to by the CO.