



LOCKHEED MARTIN CORPORATION

PRIME SUPPLEMENTAL FLOWDOWN DOCUMENT (PSFD)

**ADDITIONAL TERMS AND CONDITIONS FOR SUBCONTRACTS/PURCHASE ORDERS
UNDER**

Taiwan Retrofit Program - Contract FA8615-12-C-6016

Generated using Lockheed Martin CorpDocs 2012 Version

19 November 2012

Original Release

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 PSFD is inapplicable to the performance of this Contract, the parties shall consider such clauses to be self-deleting and shall not impose any obligations upon the SELLER.

For all subcontracts issued under the subject Prime Contract, incorporate the following terms and conditions, applicable as noted, in addition to those other terms and conditions (CorpDocs, etc.) to be used for subcontracts issued under the Prime Contract. In the event of a conflict between the version or date of a clause set out in this document and the version or date of a clause set out in the identified CorpDocs, the version or date of the clauses set out in this document shall take precedence.

1. Add the following clause(s) in CORPDOC 3 and 3A as appropriate:

FAR 52.203-7, "ANTI-KICKBACK PROCEDURES" (OCT 2010) (Applicable to subcontracts in excess of \$150,000. Paragraph (c)(1) does not apply.)

FAR 52.227-21, "TECHNICAL DATA DECLARATION, REVISION, AND WITHHOLDING OF PAYMENT – MAJOR SYSTEMS" (DEC 2007) (Flowdown is required in any subcontract in which requires the delivery of technical data. "Contracting Officer" means "Lockheed Martin." "Government" means "Lockheed Martin" in paragraph (b)(2) and "Lockheed Martin or Government" in paragraph (d).)

FAR 52.245-9, "USE AND CHARGES" (APR 2012) (Flowdown is required in any subcontract where Government property will be provided in the performance of the subcontract.)

DFARS 252.208-7000, "INTENT TO FURNISH PRECIOUS METALS AS GOVERNMENT-FURNISHED MATERIAL" (DEC 1991) (Flowdown is required in any subcontract where the subcontract involves precious metals.)

DFARS 252.211-7008, “USE OF GOVERNMENT-ASSIGNED SERIAL NUMBERS” (SEP 2010) (Flowdown is required in any subcontract where the supplier will be in the possession of Government property for the performance of the subcontract.)

DFARS 252.219-7004, “SMALL BUSINESS SUBCONTRACTING PLAN (TEST PROGRAM)” (JAN 2011) (Flowdown is expressly required by subparagraph (g)(3) of this clause to include this clause in all subcontracts for participants in the DoD Test Program for the Negotiation of Comprehensive Small Business Subcontracting Plans FAR 52.219-9.)

DFARS 252.225-7012, “PREFERENCE FOR CERTAIN DOMESTIC COMMODITIES” (JUN 2012) (Flowdown is required in any subcontract where the Seller is furnishing any of the items covered by this clause.)

DFARS 252.225-7025, “RESTRICTION ON ACQUISITION OF FORGINGS” (DEC 2009) (Flowdown is expressly required by paragraph (e) to include this clause in all subcontracts that are for items containing restricted forging items.)

DFARS 252.225-7027, “RESTRICTION ON CONTINGENT FEES FOR FOREIGN MILITARY SALES” (APR 2003) (Since subcontractor contingent fees may be included in the contract price under the prime contract, this clause should be included in all subcontracts. 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.)

DFARS 252.225-7028, “EXCLUSIONARY POLICIES AND PRACTICES OF FOREIGN GOVERNMENTS” (APR 2003) (This clause by its terms applies to work performed by subcontractors. Accordingly, the clause should be included in all subcontracts.)

DFARS 252.228-7001, “GROUND AND FLIGHT RISK” (JUN 2010) (Flowdown is expressly required by paragraph (m) of this clause to include this clause in all subcontracts.)

DFARS 252.234-7004, “COST AND SOFTWARE DATA REPORTING SYSTEM” (NOV 2010) (Applicable to subcontracts in excess of \$50,000,000. In paragraph (b), "Government" means "Lockheed Martin.")

DFARS 252.243-7002, “REQUESTS FOR EQUITABLE ADJUSTMENT” (MAR 1998) (Applies if subcontract is over \$150,000. "Government" means "Lockheed Martin.")

DFARS 252.244-7000, “SUBCONTRACTS FOR COMMERCIAL ITEMS AND COMMERCIAL COMPONENTS (DOD CONTRACTS)” (JUN 2012) (The clause mandates flowdown of the DFARS provisions identified in the clause.)

DFARS 252.245-7001, “TAGGING, LABELING, AND MARKING OF GOVERNMENT-FURNISHED PROPERTY” (APR 2012) (This clause should be included in subcontracts where the items furnished by the subcontractor will be subject to serialized tracking. Note that the subcontract Statement of Work or other document will need to identify the items subject to serialized tracking.)

DFARS 252.245-7004, “REPORTING, REUTILIZATION, AND DISPOSAL” (APR 2012) (This clause applies to any government property located at Seller’s facilities. "Contracting Officer" means "Lockheed Martin".)

DFARS 252.246-7001, “WARRANTY OF DATA” (DEC 1991) (Applies if Seller is required to provide data. "Government" means "Lockheed Martin or the Government." "Contracting Officer" means "Lockheed Martin." The last sentence in paragraph (b) is changed to read as follows: “The warranty period shall extend for three years after completion of delivery of the data to Lockheed Martin, or if the data is delivered to the Government, either by Lockheed Martin or Seller, the warranty period shall extend for three years after delivery to the Government.”)

AFFARS 5352.223-9000, “ELIMINATION OF USE OF CLASS I OZONE DEPLETING substances (ODS)” (APR 2003) (The blank in paragraph (d) is completed with "None". In paragraph (d) "Contracting Officer" means "Lockheed Martin.")

2. Modify the following FAR clauses in CORPDOC 3 as directed below:

Replace **FAR 52.204-10, “REPORTING EXECUTIVE COMPENSATION AND FIRST-TIER SUBCONTRACT AWARDS” (JUL 2010)** with **FAR 52.204-10, “REPORTING EXECUTIVE COMPENSATION AND FIRST-TIER SUBCONTRACT AWARDS” (AUG 2012)**

Replace **FAR 52.230-2, “COST ACCOUNTING STANDARDS” (OCT 2010)** with **FAR 52.230-2, “COST ACCOUNTING STANDARDS” (MAY 2012)**

Replace **FAR 52.245-1, “GOVERNMENT PROPERTY” (AUG 2010)** with **FAR 52.245-1, “GOVERNMENT PROPERTY” (APR 2012)**

Replace **FAR 52.249-2, “TERMINATION FOR CONVENIENCE OF THE GOVERNMENT (FIXED-PRICE)” (MAY 2004)** with **FAR 52.249-2, “TERMINATION FOR CONVENIENCE OF THE GOVERNMENT (FIXED-PRICE)” (APR 2012)**

3. Modify the following FAR clauses in CORPDOC 4 as directed below:

Add **FAR 52.246-6, “INSPECTION -- TIME-AND-MATERIAL AND LABOR-HOUR” (MAR 2001)** ("Government" means "Lockheed Martin and the Government" in paragraphs (b), (c) and (d). "Government" means "Lockheed Martin" in paragraphs (e), (f), (g) and (h).)

Add **FAR 52.243-3, “Changes Time-and-Materials or Labor-Hours” (Sept 2000)** ("Contracting Officer" and "Government" mean "Lockheed Martin". In paragraph (a), add as subparagraph (8) "Delivery schedule". In paragraph (d), the reference to the disputes clause is deleted.)

Replace **FAR 52.249-6, “TERMINATION (COST-REIMBURSEMENT)” (OCT 2010)** with **“TERMINATION (COST-REIMBURSEMENT)” (MAY 2004)** (CORPDOC 4 has incorrect date)

4. Modify the following DFARS clauses in CORPDOC 3A as directed below:

Replace **DFARS 252.203-7003, “AGENCY OFFICE OF THE INSPECTOR GENERAL” (DEC 2011)** with **DFARS 252.203-7003, “AGENCY OFFICE OF THE INSPECTOR GENERAL” (APR 2012)**

Replace **DFARS 252.225-7001, "BUY AMERICAN ACT AND BALANCE OF PAYMENTS PROGRAM"** (OCT 2011) with **DFARS 252.225-7001, "BUY AMERICAN ACT AND BALANCE OF PAYMENTS PROGRAM"** (JUN 2012)

Replace **DFARS 252.225-7009, "RESTRICTION ON ACQUISITION OF CERTAIN ARTICLES CONTAINING SPECIALTY METALS"** (JAN 2011) with **DFARS 252.225-7009, "RESTRICTION ON ACQUISITION OF CERTAIN ARTICLES CONTAINING SPECIALTY METALS"** (JUN 2012)

Replace **DFARS 252.225-7013, "DUTY-FREE ENTRY"** (DEC 2009) with **DFARS 252.225-7013, "DUTY-FREE ENTRY"** (JUN 2012)

Replace **DFARS 252.225-7021, "TRADE AGREEMENTS"** (OCT 2011) with **DFARS 252.225-7021, "TRADE AGREEMENTS"** (JUN 2012)

Replace **DFARS 252.227-7013, "RIGHTS IN TECHNICAL DATA - NON-COMMERCIAL ITEMS"** (SEP 2011) with **DFARS 252.227-7013, "RIGHTS IN TECHNICAL DATA - NON-COMMERCIAL ITEMS"** (FEB 2012)

Replace **DFARS 252.227-7014, "RIGHTS IN NONCOMMERCIAL COMPUTER SOFTWARE AND NONCOMMERCIAL COMPUTER SOFTWARE DOCUMENTATION"** (MAR 2011) with **DFARS 252.227-7014, "RIGHTS IN NONCOMMERCIAL COMPUTER SOFTWARE AND NONCOMMERCIAL COMPUTER SOFTWARE DOCUMENTATION"** (FEB 2012)

Replace **DFARS 252.227-7037, "VALIDATION OF RESTRICTIVE MARKINGS ON TECHNICAL DATA"** (SEP 2011) with **DFARS 252.227-7037, "VALIDATION OF RESTRICTIVE MARKINGS ON TECHNICAL DATA"** (JUN 2012)

5. The following Special Contract Requirement (H clause) is added:

SYK-FAC-002 USE OF OTHER GOVERNMENT PROPERTY (OCT 2003)

- a. In the performance of the requirements under this Contract, LOCKHEED MARTIN may use and may authorize its subcontractors to use, on a no-charge basis, the Government-owned Special Tooling such as jigs, dies, fixtures, special gauges, other manufacturing aids and Special Test Equipment, heretofore acquired or manufactured or authorized for acquisition or manufacture by LOCKHEED MARTIN and/or its subcontractors or heretofore furnished to LOCKHEED MARTIN and/or its subcontractors as Government Furnished Property and presently in its or their possession which shall have been determined LOCKHEED MARTIN to be available for the performance of the work called for by this Contract in accordance with Federal Acquisition Regulation (FAR) 52.245-01 of Section I of this Contract entitled "Government Property." It is, however, hereby provided that use of the foregoing shall not interfere with the proper performance of work under the Contract(s) for which they were originally produced, acquired or furnished.
- b. Subject to the provisions of Paragraph (a) above, any of the aforementioned items of Special Tooling and/or Special Test Equipment presently in the possession of LOCKHEED MARTIN and/or subcontractors may be modified as necessary for the performance of this Contract as approved by LOCKHEED MARTIN.