

LOCKHEED MARTIN CORPORATION

PRIME SUPPLEMENTAL FLOWDOWN DOCUMENT (PSFD)

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

Iraq F-16 Aircraft Program
Contract FA8615-12-C-6012

Generated using Lockheed Martin CorpDocs 2011 Version

November 28, 2011

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, the following terms and conditions, applicable as noted, are incorporated by reference in addition to those other terms and conditions (the CorpDoc Series, etc.) to be used for subcontracts issued under such Prime Contract. The language of the incorporated clause(s) should be modified so that "Government" and "Contracting Officer" mean LOCKHEED MARTIN, "Contractor" means SELLER, and "Subcontractor" means SELLER's Subcontractors.

The following FAR, DFARS and AFFARS clauses are added:

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

FAR 52.223-18, "CONTRACTOR POLICY TO BAN TEXT MESSAGING WHILE DRIVING" (AUG 2011). Applies if this subcontract exceeds \$3,000.

FAR 52.227-21, "TECHNICAL DATA DECLARATION, REVISION, AND WITHHOLDING OF PAYMENT – MAJOR SYSTEMS" (DEC 2007). "Contracting Officer" means "Lockheed Martin." "Government" means "Lockheed Martin" in paragraph (b)(2) and "Lockheed Martin or Government" in paragraph (d).

FAR 52.228-3, "WORKERS' COMPENSATION INSURANCE" (APR 1984). Applies if Seller will perform work subject to the Defense Base Act 42 U.S.C. 1651 et seq.

DFARS 252.225-7012, "PREFERENCE FOR CERTAIN DOMESTIC COMMODITIES" (JUN 2010). Applies if Seller is furnishing any of the items covered by this clause.

DFARS 252.225-7027, “RESTRICTION ON CONTINGENT FEES FOR FOREIGN MILITARY SALES” (APR 2003). 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 252.234-7004, “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 252.246-7001, “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."

Modify the following FAR and DFARS clauses as directed below:

Replace FAR 52.215-10, “PRICE REDUCTION FOR DEFECTIVE CERTIFIED COST OR PRICING DATA” (OCT 2010), with FAR 52.215-10, “PRICE REDUCTION FOR DEFECTIVE CERTIFIED COST OR PRICING DATA” (AUG 2011)

Replace FAR 52.215-11, “PRICE REDUCTION FOR DEFECTIVE CERTIFIED COST OR PRICING DATA - MODIFICATIONS” (OCT 2010), with FAR 52.215-11, “PRICE REDUCTION FOR DEFECTIVE CERTIFIED COST OR PRICING DATA - MODIFICATIONS” (AUG 2011)

Replace FAR 52.230-6, “ADMINISTRATION OF COST ACCOUNTING STANDARDS” (JUN 2006), with FAR 52.230-6, “ADMINISTRATION OF COST ACCOUNTING STANDARDS” (JUN 2010)

Replace FAR 52.244-6, “SUBCONTRACTS FOR COMMERCIAL ITEMS” (DEC 2009), with FAR 52.244-6, “SUBCONTRACTS FOR COMMERCIAL ITEMS” (DEC 2010)

Replace FAR 52.248-1, “VALUE ENGINEERING” (FEB 2000), with FAR 52.248-1, “VALUE ENGINEERING” (OCT 2010)

Replace DFARS 252.211-7003, “ITEM IDENTIFICATION AND VALUATION” (AUG 2008), with DFARS 252.211-7003, “ITEM IDENTIFICATION AND VALUATION” (JUN 2011)

Replace DFARS 252.225-7001, “BUY AMERICAN ACT AND BALANCE OF PAYMENTS PROGRAM” (JUN 2005), with DFARS 252.225-7001, “BUY AMERICAN ACT AND BALANCE OF PAYMENTS PROGRAM” (JAN 2009)

Replace DFARS 252.225-7009, "RESTRICTION ON ACQUISITION OF CERTAIN ARTICLES CONTAINING SPECIALTY METALS" (JUL 2009), with DFARS 252.225-7009, "RESTRICTION ON ACQUISITION OF CERTAIN ARTICLES CONTAINING SPECIALTY METALS" (JAN 2011)

Replace DFARS 252.225-7021, "TRADE AGREEMENTS" (JUL 2009), with DFARS 252.225-7021, "TRADE AGREEMENTS" (JUN 2011)

Replace DFARS 252.227-7016, "RIGHTS IN BID OR PROPOSAL INFORMATION" (JUN 1995), with DFARS 252.227-7016, "RIGHTS IN BID OR PROPOSAL INFORMATION" (JAN 2011)

Replace DFARS 252.227-7014, "RIGHTS IN NONCOMMERCIAL COMPUTER SOFTWARE AND NONCOMMERCIAL COMPUTER SOFTWARE DOCUMENTATION" (JUN 1995), with DFARS 252.227-7014, "RIGHTS IN NONCOMMERCIAL COMPUTER SOFTWARE AND NONCOMMERCIAL COMPUTER SOFTWARE DOCUMENTATION" (MAR 2011)

Replace DFARS 252.227-7025, "LIMITATIONS ON THE USE OR DISCLOSURE OF GOVERNMENT-FURNISHED INFORMATION MARKED WITH RESTRICTIVE LEGENDS" (JUN 1995), with DFARS 252.227-7025, "LIMITATIONS ON THE USE OR DISCLOSURE OF GOVERNMENT-FURNISHED INFORMATION MARKED WITH RESTRICTIVE LEGENDS" (MAR 2011)

Replace DFARS 252.249-7002, "NOTIFICATION OF ANTICIPATED CONTRACT TERMINATION OR REDUCTION" (DEC 2006), with DFARS 252.249-7002, "NOTIFICATION OF ANTICIPATED CONTRACT TERMINATION OR REDUCTION" (OCT 2010)

Special Clause:

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

a. In the performance of the requirements under this Contract, the Contractor 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 the Contractor and/or its subcontractors or heretofore furnished to the Contractor and/or its subcontractors as Government Furnished Property and presently in its or their possession

which shall have been determined by the appropriate Administrative Contracting Officer (ACO) 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 the Contractor and/or subcontractors may be modified as necessary for the performance of this Contract as approved by the ACO.