

Appendix 'A'
28TH SERIES
STANDARD PURCHASE ORDER TERMS AND CONDITIONS

1. Definitions

As used herein "Buyer" means Lockheed Martin Corporation acting through its Lockheed Martin Aeronautics Company; "Seller" means the party identified on the face of this purchase order; Except in the term "commercial item" as defined at FAR 2.101, and its plural "commercial items," "Items" or "items" means all required articles, materials, supplies and services (singular "Item," or "item," plural "Items," or "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 Government contract under which this PO is issued. "Commercial Item," "commercial component," "component" and "nondevelopmental item" shall have the meaning as set forth at FAR 52.202-1.

2. Delivery

- (a) Delivery shall be made in strict accordance with the terms 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 over-shipped 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. origin (Place of Shipment) and shall include all applicable federal, state and local taxes, duties, tariffs, and other 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 and Payments

Unless otherwise provided, terms of payment shall be Net 30 days from the latest 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 and/or under 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 nonconforming 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 item(s) 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 and Self-Certification

- (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. **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) CERTIFICATIONS AND REPRESENTATIONS

This clause 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 Contract, Seller certifies to the representations and certifications as set forth below in this clause. These certifications shall apply whenever these terms and conditions are

incorporated by reference in any Contract, agreement, other contractual document or any quotation, request for quotation (oral or written), request for proposal or solicitation (oral or written), issued by Buyer. Seller shall immediately notify Buyer of any change of status with regard to these certifications and representations.

The following provisions and clauses of the Federal Acquisition Regulation (FAR) are incorporated herein by reference, with the same force and effect as if they were given in full text, and are applicable to any order, agreement, or subcontract. In each provision or clause incorporated below, substitute "Lockheed Martin" for "Government" and "Contracting Agency", "Lockheed Martin Procurement Representative" for "Contracting Officer", and "Seller" for "Contractor" and "Offeror" throughout.

(1) **FAR 52.203-11 Certification and Disclosure Regarding Payments to Influence Certain Federal Transactions** (Applicable to solicitations and contracts exceeding \$100,000)

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.

OFFEROR 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.
 - (d) 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.
- (2) **FAR 52.209-5 Certification Regarding Debarment, Suspension, Proposed Debarment, and Other Responsibility Matters.**
- (a) OFFEROR certifies, to the best of its knowledge and belief, that OFFEROR 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.
 - (b) OFFEROR shall provide immediate written notice to Buyer 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.
- (3) **FAR 52.222-22 Previous Contracts and Compliance Reports.**
- OFFEROR represents that if OFFEROR has participated in a previous contract or subcontract subject to the Equal Opportunity clause (FAR 52.222-26), (i) OFFEROR has filed all required compliance reports and (ii) representations indicating submission of required compliance reports, signed by proposed subcontractors, will be obtained before subcontract awards.
- (4) **FAR 52.222-25 Affirmative Action Compliance.**
- OFFEROR represents that (1) OFFEROR 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) in the event such a program does not presently exist, OFFEROR will develop and place in operation such a written Affirmative Action Compliance Program within 120 days from the award of this Contract.

(6) **FAR 52.223-13 Certification of Toxic Chemical Release Reporting.**
(Applicable to competitive solicitations/contracts which exceed \$100,000)

(a) Submission of this certification is a prerequisite for making or entering into this contract imposed by Executive Order 12969, August 8, 1995.

(b) OFFEROR certifies that—

As the owner or operator of facilities that will be used in the performance of this Contract and that are subject to the filing and reporting requirements described in section 313 of the Emergency Planning and Community Right-to-Know Act of 1986 (EPCRA) (42 U.S.C. 11023) and section 6607 of the Pollution Prevention Act of 1990 (PPA) (42 U.S.C. 13106), OFFEROR will file and continue to file for such facilities for the life of the contract the Toxic Chemical Release Inventory Form (Form R), as described in sections 313(a) and (g) of EPCRA and section 6607 of PPA; or

None of its owned or operated facilities to be used in the performance of this Contract is subject to the Form R filing and reporting requirements because each such facility is exempt for at least one of the following reasons:

(i) The facility does not manufacture, process or otherwise use any toxic chemicals listed under section 313(c) of EPCRA, 42 U.S.C. 11023(c);

(ii) The facility does not have 10 or more full-time employees as specified in section 313.(b)(1)(A) of EPCRA 42 U.S.C. 11023(b)(1)(A);

(iii) The facility does not meet the reporting thresholds of toxic chemicals established under section 313(f) of EPCRA, 42 U.S.C. 11023(f) (including the alternate thresholds at 40 CFR 372.27, provided an appropriate certification form has been filed with EPA);

(iv) The facility does not fall within Standard Industrial Classification Code (SIC) designations 20 through 39 as set forth in FAR section 19.102 of the Federal Acquisition Regulation; or

(v) The facility is not located within any State of the United States, the District of Columbia, the Commonwealth of Puerto

Rico, Guam, American Samoa, the United States Virgin Islands, the Northern Mariana Islands, or any other territory or possession over which the United States has jurisdiction.

8. Responsibility for Property

Unless otherwise specified, Seller shall be liable for any loss or destruction of or damage to property of 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 personalty by reason of affixation to any realty. All property of Buyer furnished hereunder to Seller shall be used solely in the performance of this PO unless otherwise specified in writing by Buyer.

9. Special Tooling and Special Test Equipment

Except as may be otherwise provided for in this PO, jigs, dies, fixtures, molds, patterns, special gages, and other items of special tooling (including software) and special test equipment, shall be furnished by and at the expense of Seller. Special tooling and test equipment shall be kept in good condition by Seller and replaced as necessary by Seller, without expense to Buyer. Title to special tooling and test equipment shall remain in Seller, except that Buyer may, at any time, reimburse Seller for the cost of part or of all special tooling and test equipment, and upon payment therefore shall become the sole owner thereof. Buyer shall at all times have unrestricted access to all such tooling, equipment, and information pertinent thereto for purposes of quality control, evaluation and verification. This paragraph shall not apply to special tooling or special test equipment (as those terms are defined in clauses incorporated by reference in clause 36) that is either provided by the Government or is acquired or fabricated for the Government pursuant to the clauses incorporated by reference in clause 36.

10. Use of Data Furnished by Buyer

The information contained in reports, drawings, documents or other records ("Information") which are furnished to Seller by Buyer 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. All such Information furnished to Seller by Buyer and retained by Seller shall remain subject to the foregoing restrictions on use, reproduction and disclosure.

11. Patents, Copyrights, Mask Works and Trade Secrets

SELLER AGREES TO DEFEND, INDEMNIFY AND HOLD HARMLESS BUYER, ITS CUSTOMERS AND AGENTS AGAINST ANY LIABILITY, INCLUDING WITHOUT LIMITATION, COSTS, EXPENSES AND ATTORNEY'S FEES, FOR OR BY REASON OF ANY ACTUAL OR ALLEGED INFRINGEMENT, WHETHER WILLFUL OR NOT, OF ANY PATENT, COPYRIGHT, MASK WORK OR TRADE SECRET ARISING OUT OF THE MANUFACTURE, USE, SALE, DELIVERY OR DISPOSAL OF GOODS FURNISHED UNDER THIS PO AND NOT ATTRIBUTABLE TO SELLER'S COMPLIANCE WITH BUYER'S DETAIL DESIGN AND STATED REQUIREMENT FOR A SPECIFIC STRUCTURE. Buyer shall notify Seller, as soon as practicable, of any claim of infringement resulting therefrom received by Buyer. In the event of any such claim against Buyer, Seller shall furnish to Buyer, when so notified by Buyer, all evidence and information in the possession of Seller pertaining to such claim. Seller shall provide a written report to Buyer promptly and in reasonable detail, regarding each notice or claim of patent, copyright, mask work or trade secret infringement relating to the performance of this PO of which Seller has knowledge. The indemnity and hold harmless provisions of this clause shall not be applicable to actual or alleged patent infringements of a United States patent if this PO is issued under a Government prime contract which contains FAR clause 52.227-1, "Authorization and Consent," with its Alternate 1. Where payment is made for or results in the performance of experimental, developmental, or research work under this PO, then unless this PO is issued under a Government prime contract, Seller shall disclose and does hereby assign to Buyer all inventions resulting therefrom. Furthermore, Seller shall assist Buyer, to the extent reasonably requested, in securing and defending patent protection thereon, and does grant Buyer the right to use for any purpose all data specified to be delivered hereunder.

12. Patents, Rights in Data, and Computer Software

(a) Clauses Applicable to this PO.

- (1) Subject to subparagraphs (2) through (4), those FAR part 52.227 and DFARS part 252.227 clauses related to patents, rights in data, and computer software that are incorporated in the prime contract(s) under which this PO is issued, are incorporated herein by reference. Such clauses typically include (but are not limited to) DFARS 252.227-7013, -7014, -7015, -7017, -7019, -7025, -7026, -7027, -7030, and -7037; the precise clauses to be incorporated in this PO shall be determined based on the clauses incorporated in the prime contract(s) under which this PO is issued. In the event the prime contract(s) include DFARS 252.227-

7013 and DFARS 252.227-7015, and the Government will pay any portion of development costs, then DFARS 252.227-7015 will not be incorporated into this PO. The date of each clause thus incorporated in this PO shall be the date of the clause in the prime contract as of the date of this PO. Seller acknowledges it has been provided the opportunity to examine the clauses thus incorporated in this PO, and is familiar with such incorporated clauses.

- (2) Seller agrees to comply with clauses thus incorporated in this PO as the "Contractor." Seller further agrees that, except to the extent Buyer's rights are limited by the terms of an incorporated clause, the rights of the Government in such clauses may also be exercised by or through Buyer, as required in connection with the performance of the prime contract, and "Government" in such clauses shall be so construed. In DFARS clause 252.227-7013, "Contract No." means the prime contract(s) under which this PO is issued and, in the Government Purpose Rights legend and Limited Rights legend, the entries for "Contractor" name and address shall be identified as "Prime Contractor" and shall mean "Buyer" name and address; Seller shall also include an entry for "Subcontractor" name and address, which shall mean "Seller." In DFARS clause 252.227-7014, "Contract No." means the prime contract(s) under which this PO is issued and, in the Government Purpose Rights legend and Restricted Rights legend, the entries for "Contractor" name and address shall be identified as "Prime Contractor" and shall mean "Buyer" name and address; Seller shall also include an entry for "Subcontractor" name and address, which shall mean "Seller."
 - (3) If this PO is for other than experimental, developmental, or research work, the "Patent Rights-Retention by Contractor" clauses do not apply to Seller.
 - (4) When, and to the extent, that the clause at DFARS 252.227-7025 entitled, "Limitations on the Use or Disclosure of Government-Furnished Information Marked with Restrictive Legends," is applicable to this PO, the term "Government" in paragraph (c)(1) of such clause means Government and Buyer.
- (b) Minimum Rights in Data, Computer Software, and Computer Software Documentation.

Rights in technical data, computer software, and computer software documentation shall be as specified in the clauses incorporated by reference through subparagraph (a) or as specified elsewhere in this PO. If, however, neither the clauses incorporated by reference through subparagraph (a) nor other provisions of this PO address the rights to be provided by Seller as to particular technical data, computer software, or computer software

documentation, then such technical data, computer software, and computer software documentation furnished by Seller under this PO shall be, at a minimum, provided with the following rights:

- (1) As to other than commercial items: technical data furnished by Seller under this PO shall be provided with "Unlimited Rights" as that term is defined in DFARS 252.227-7013 (Nov 1995), which is incorporated in this PO by reference for purposes of this subparagraph (b)(1).
 - (2) As to other than commercial computer software, and other than commercial computer software documentation: computer software and computer software documentation furnished by Seller under this PO shall be provided with "Unlimited Rights" as that term is defined in DFARS 252.227-7014 (June 1995), which is incorporated in this PO by reference for purposes of this subparagraph (b)(2).
 - (3) As to commercial items: technical data furnished by Seller under this PO shall be provided with at least the rights set forth in subparagraph (b) of DFARS clause 252.227-7015 (Nov 1995), which is incorporated in this PO by reference for purposes of this subparagraph (b)(3).
 - (4) As to commercial computer software, and commercial computer software documentation: commercial computer software and commercial computer software documentation furnished by Seller under this PO shall be, at a minimum, provided with the rights customarily provided to the public.
- (c) 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;

(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.

- (d) **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 of paragraph (c) above, 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.**

13. 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 the 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 and/or its subcontractors' insurers showing such coverage in effect and agreeing to give Buyer ten (10) days' prior written notice of cancellation of such coverage. Seller agrees to obtain the insurance coverage listed above whether or not insurance coverage is required elsewhere in this PO.

14. 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 this PO's "Changes" clause.

15. Remedies/Waiver

- (a) The rights and remedies provided herein shall be cumulative and in addition to any other rights and remedies provided at law or in 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.

16. Assignment

Seller shall not assign any of its rights under this PO without the prior written consent of Buyer, except that claims for monies due or to become due under this PO may be assigned by Seller without such consent to a bank, trust company or other financing institution, including any Federal lending agency. 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 may 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.

17. Ozone Depleting Substances ("ODS")

If Seller has not obtained specific authorization from Buyer or the Government to continue the use of Class I Ozone Depleting Substances ("ODS"), then Seller shall notify Buyer if any of such ODS are required in the performance of this PO or will be delivered as part of the Item(s) under this PO.

18. Rescission, Adjustment or Termination for Illegal or Improper Activity

- (a) In the event the Government takes action pursuant to FAR 52.203-8 entitled "Cancellation, Rescission, and Recovery of Funds for Illegal or Improper Activity" to cancel the solicitation or rescind the prime contract to which this PO relates, and such action results from Seller's violation of subsection (a), (b), (c) or (d) of section 27 of the Office of Federal Procurement Policy Act (41. U.S.C. 423) ("the Act"), as amended by section 4304 of the National Defense Authorization Act for Fiscal Year 1996 (Pub. L. 104-106), **BUYER MAY** (1) rescind this PO; (2) recover from Seller all amounts paid by Buyer to Seller in connection with this PO; (3) **RECOVER FROM SELLER ANY AMOUNTS, INCLUDING ANY PENALTY PRESCRIBED BY LAW, WHICH BUYER IS REQUIRED TO PAY TO THE GOVERNMENT; AND (4) RECOVER FROM SELLER ANY OTHER COSTS, EXPENSES OR LIABILITIES INCURRED BY BUYER IN CONNECTION WITH SELLER'S VIOLATION OF THE ACT.**
- (b) **SELLER AGREES TO PAY BUYER THE AMOUNT BUYER'S PRICE OR FEE IS REDUCED BY THE GOVERNMENT PURSUANT TO FAR CLAUSE 52.203-10, ENTITLED "PRICE OR FEE ADJUSTMENT FOR ILLEGAL OR IMPROPER ACTIVITY," TO THE EXTENT SUCH REDUCTION RESULTS FROM SELLER'S VIOLATION OF THE ACT, AS AMENDED (41 U.S.C. 423), AND AS IMPLEMENTED IN THE FAR.** In the event the Government terminates for default any of Buyer's prime contracts under which this PO is issued, as a result of Seller's violation of the Act, Buyer shall have the right to terminate this PO for default in whole or in part.
- (c) Buyer's rights and remedies under this clause shall be in addition to any other rights and remedies provided by law, regulation, or under this PO.

19. 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.

20. 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 is being performed in connection with any Item to be delivered under this PO, to review progress and witness testing of such Items. Seller shall include this clause in all of Seller's subcontracts under this PO.

21. Governing Law

This PO shall be construed, interpreted and applied in accordance with the Federal law of Government contracts as enunciated and applied by Federal judicial bodies and boards of contract appeals. To the extent that the Federal law of Government contracts is not dispositive, if this PO specifies that the Items furnished hereunder are to be delivered directly to or performed at or on behalf of a specified Buyer facility, the laws, excluding choice of state law rules, of the state where such Buyer's facility is located shall apply. For Items neither delivered directly to nor performed at or on behalf of a specified Buyer facility, the laws of the state of Texas, excluding choice of state law rules, shall apply.

22. 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 and agreements, oral, and written, between Buyer and Seller in respect of 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.

23. 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 ensure 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"); and (iii) the bill of lading/express receipt number. If shipments against more than one purchase order are packed in one exterior container, Seller shall 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. Seller shall include this PO number on all carrier bills of lading

and shipping labels. Seller shall combine on the same bill of lading, all shipments consigned to the same Buyer address and shall 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) No material or supplies purchased, manufactured or otherwise acquired for use in the performance of or to be delivered under this PO shall be transported on vessels, aircraft or other carriers leased to or from, owned, operated, or controlled by any prohibited country identified in the International Traffic in Arms Regulations ("ITAR"), 22 CFR 126.

No vessels, aircraft, or other carrier, while carrying any such material or supplies, shall make an enroute stop in any prohibited country identified in the ITAR, 22 CFR 126. Seller shall insert the provisions of this paragraph (e) in all subcontracts hereunder.

24. Public Release of Information

No public release (including, without limitation, news releases, articles, manuscripts, brochures, advertisements, still and motion pictures, speeches, trade association meetings, symposia, photographs, films, announcements, discussions, denials or confirmations of same) regarding 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. Seller agrees that for every instance, if any, where Buyer provides such prior written approval, Seller, in any resulting release, shall include information, if any, provided by Buyer stating which Government agency sponsors or sponsored the related project or effort.

25. 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, or 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.

26. 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.

27. 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.

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; and (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 a 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. 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, or 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.

31. Notification of Debarment/Suspension Status

Seller shall provide immediate notice to Buyer in the event of being suspended, debarred, proposed for debarment or declared ineligible for the award of contracts, by any Federal Agency, during the performance of this PO.

32. 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 this reference. Seller acknowledges that Buyer has relied on such certifications and representations in making the award of this PO.

33. 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) To the maximum practical extent, Seller shall select subcontractors on a competitive basis for work subcontracted in connection with this PO.
- (c) 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 US export licenses are obtained prior to the transfer of any defense articles, technical data or other information to the prospective lower-tier subcontractor.

- (d) No subcontract placed under this contract shall provide for payment on a cost-plus-a-percentage-of-cost basis, and any fee payable under cost-reimbursement type subcontracts shall not exceed the fee limitations in paragraph 15.404-4(c)(4)(i) of the Federal Acquisition Regulation (FAR).

34. Indemnity/Commercial Items

This clause applies only to the portion, if any, of this PO that is for the purchase of a commercial item(s) as such term - "Commercial item" - is defined at FAR 2.101. In the event Buyer is subject to any liability, damage, or expense, including without limitation, Government withholding of payments, due to a finding or determination by the Contracting Officer that an item designated herein as a commercial item is not a commercial item, then **SELLER AGREES TO INDEMNIFY AND HOLD BUYER HARMLESS TO THE FULL EXTENT OF ANY SUCH LIABILITY, DAMAGE, OR EXPENSE RESULTING IN WHOLE OR IN PART FROM SUCH FINDING OR DETERMINATION.**

Additionally, in the event of such finding or determination, the FAR and DFARS clauses, and the applicable CAS Appendix (Appendices J, K or L), if any, as are determined to be applicable pursuant to appropriate regulations, shall be applicable as of the effective date of this PO.

35. English Language Requirement

All deliverable documents will be in the English language. An English language speaking person shall be provided during any in plant visits, inspections, reviews, audits, and other similar activities to facilitate communications and ensure mutual understanding.

36. 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" means this PO; "Contractor" means Seller; and "Subcontractor(s)" means Seller's subcontractor(s). Except where a date is provided, the FAR and DFARS clauses are those in effect as of the date of this PO.

Buyer and Seller agree that they intend for the clauses thus incorporated to establish obligations on Seller as a subcontractor to Buyer, including without limitation those obligations on Seller which are necessary to permit Buyer to comply with its obligations to the U.S. Government under Buyer's prime contract(s).

Note: The FAR and DFARS clauses identified with triple asterisks after the clause number are not applicable to the portion, if any, of this PO which is for a commercial item(s) as described in FAR 2.101. However, no item purchased under this PO shall be regarded as a commercial item(s) unless it is specifically so designated in this PO.

FAR	TITLE
52.203-6	Restrictions on Subcontractor Sales to the Government (SEP 2006). Applies if this PO exceeds \$100,000. For the acquisition of commercial items, use the clause with its Alternate I.
52.203-7***	Anti-kickback Procedures (JUL 1995). Applies if this PO exceeds \$100,000. Delete paragraph (c)(1). In paragraph (c)(2), sentence two, insert "Buyer and to" after the sixth word "to." In paragraph (c)(3), insert "Buyer and" after the sixth word "with." Add the following to the end of paragraph (c)(4): "In addition to any other remedies which the Buyer has at law, in equity, or under this PO, BUYER SHALL HAVE THE RIGHT TO WITHHOLD FROM SELLER THE AMOUNT, IF ANY, THAT THE CONTRACTING OFFICER DIRECTS BUYER TO WITHHOLD FROM SELLER. "
52.203-8	Cancellation, Rescission, and Recovery of Funds for Illegal or Improper Activity (JAN 1997). SELLER AGREES TO INDEMNIFY BUYER AGAINST ANY LOSS, COST, DAMAGE OR LIABILITY BY REASON OF SELLER'S VIOLATION OF THIS CLAUSE.
52.203-10	Price or Fee Adjustment for Illegal or Improper Activity (JAN 1997). SELLER AGREES TO INDEMNIFY BUYER AGAINST ANY LOSS, COST, DAMAGE OR LIABILITY BY REASON OF SELLER'S VIOLATION OF THIS CLAUSE.
52.203-12	Limitation on Payments to Influence Certain Federal Transactions (SEP 2007). Applies if this PO exceeds \$100,000. Seller's Disclosure Form and those of Seller's lower tier subcontractors will be provided to Lockheed Martin.
52.203-13 ***	Contractor Code of Business Ethics and Conduct (DEC 2007). Applicable for subcontracts that are in excess of \$5 million and a performance period of more than 120 days.
52.203-14***	Display of Hotline Posters (DEC 2007). Applicable if subcontract exceeds \$5 million.

- 52.204-2 **Security Requirements (AUG 1996).** Applies if access to classified material is required.
- 52.204-9 **Personal Identity Verification of Contractor Personnel (SEP 2007).** Applicable where Seller will have physical access to a federally controlled facility or access to a federal information system.
- 52.211-5*** **Material Requirements (AUG 2000).** In paragraphs (d) and (e), “Contractor” shall mean “Seller” and “Contracting Officer” shall mean “Buyer.”
- 52.211-15 **Defense Priority and Allocation Requirements (SEP 1990).**
- 52.215-2*** **Audit & Records (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).** In paragraph (a)(2), “subcontractor” means Seller or Seller’s subcontractors, and “Contractor” means Buyer. If Buyer is subject to any liability or expense, including without limitation Government withholding of payments, as the result of (1) Seller’s or its lower-tier subcontractors’ submission and/or certification of alleged or actual defective cost or pricing data, as set forth in this clause and in FAR 52.215-11 or (2) their furnishing, as prospective subcontractors, alleged or actual defective cost or pricing data, which data was certified or required to be certified by Buyer to be accurate, complete and current as of the date specified by Buyer in its Certificate of Current Cost or Pricing Data, and which data Seller was given timely notice by Buyer to furnish and/or update prior to such date specified in such certificate; or (3) the Government Contracting Officer’s rejection of Seller’s or Seller’s lower-tier subcontractor’s claim for exception from submission of certified cost or pricing data any basis set forth in FAR 15.403-1, or other pertinent law or regulation; or (4) their furnishing data of any description that is allegedly or actually inaccurate as set forth in this clause and in FAR (or 52.215-11, 52.215-12, or 52.215-13 as applicable, then **SELLER AGREES TO INDEMNIFY AND HOLD BUYER HARMLESS TO THE FULL EXTENT OF ANY DAMAGE OR EXPENSE RESULTING FROM SUCH ACTION.**
- 52.215-11*** **Price Reduction for Defective Cost or Pricing Data – Modifications (OCT 1997).**
If Buyer is subject to any liability or expense, including without limitation Government withholding of payments, as the result of

(1) Seller's or its lower-tier subcontractors' submission and/or certification of alleged or actual defective cost or pricing data, as set forth in this clause and in FAR 52.215-11 or (2) their furnishing, as prospective subcontractors, alleged or actual defective cost or pricing data, which data was certified or required to be certified by Buyer to be accurate, complete and current as of the date specified by Buyer in its Certificate of Current Cost or Pricing Data, and which data Seller was given timely notice by Buyer to furnish and/or update prior to such date specified in such certificate; or (3) the Government Contracting Officer's rejection of Seller's or Seller's lower-tier subcontractor's claim for exception from submission of certified cost or pricing data any basis set forth in FAR 15.403-1, or other pertinent law or regulation; or (4) their furnishing data of any description that is allegedly or actually inaccurate as set forth in this clause and in FAR (or 52.215-11, 52.215-12, or 52.215-13 as applicable, then **SELLER AGREES TO INDEMNIFY AND HOLD BUYER HARMLESS TO THE FULL EXTENT OF ANY DAMAGE OR EXPENSE RESULTING FROM SUCH ACTION.**

52.215-12***	Subcontractor Cost or Pricing Data (OCT 1997).
52.215-13***	Subcontractor Cost or Pricing Data – Modifications (OCT 1997).
52.215-14***	Integrity of Unit Prices (OCT 1997) with its Alternate 1 (OCT 1997).
52.215-15***	Pension Adjustments and Asset Reversions (OCT 2004). Applies if this PO requires certified cost or pricing data and any preaward or postaward cost determinations will be subject to FAR part 31. "Government" means Government and Buyer.
52.215-18***	Reversion or Adjustment of Plans for Postretirement Benefits (PRB) Other Than Pensions (JUL 2005). Applies if this PO requires certified cost or pricing data or if any preaward or postaward cost determinations will be subject to FAR part 31.
52.215-19***	Notification of Ownership Changes (OCT 1997). Applies if this PO requires cost or pricing data, or if any preaward or postaward cost determination will be subject to FAR subpart 31.2.
52.215-20	Requirements For Cost or Pricing Data or Information Other Than Cost or Pricing Data (OCT 1997).
52.215-21	Requirements For Cost or Pricing Data or Information Other Than Cost or Pricing Data – Modifications (OCT 1997).

- 52.219-8 **Utilization of Small Business Concerns (MAY 2004).** Applies if this PO offers further subcontracting opportunities or exceeds \$100,000.
- 52.219-9 **Small Business Subcontracting Plan (NOV 2007).** Applies if this PO contains the clause at 52.219-8 and exceeds \$550,000. "Contracting Officer" means Buyer.
- 52.222-1 **Notice to the Government of Labor Disputes (DEC 1997).** "Contracting Officer" means Buyer.
- 52.222-4*** **Contract Work Hours and Safety Standards Act - Overtime Compensation (JUL 2005).** Add the following: "(f) Buyer shall have the right at its election either to withhold or to recover from Seller such sums as the Contracting Officer withholds or recovers from Buyer because of liabilities of Seller or its subcontractors under this clause."
- 52.222-20 **Walsh Healy Public Contracts Act (DEC 1996).** Applies if this PO exceeds \$10,000.
- 52.222-21 **Prohibition of Segregated Facilities (FEB 1999).**
- 52.222-26 **Equal Opportunity (MAR 2007).** Delete paragraph (c).
- 52.222-35 **Equal Opportunity for Special Disabled Veterans, Veterans of the Vietnam Era, and Other Eligible Veterans (SEP 2006).** Applies if this PO exceeds \$100,000.
- 52.222-36 **Affirmative action for Workers with Disabilities (JUN 1998).** Applies if this PO exceeds \$10,000.
- 52.222-37 **Employment Reports on Special Disabled Veterans, Veterans of the Vietnam Era, and Other Eligible Veterans (SEP 2006).** Applies if this PO is for \$100,000 or more.
- 52.222-38*** **Compliance with Veterans' Employment Reporting Requirements (DEC 2001).** Applies if this PO exceeds \$100,000.
- 52.222-39 **Notification of Employee Rights Concerning Payment of Union Dues or Fees (DEC 2004).** Applies to all subcontracts that exceed the FAR simplified acquisition threshold as defined in FAR 2.101.
- 52.222-50 **Combating Trafficking in Persons (AUG 2007)** Substitute "Lockheed Martin Procurement Representative" for "Contracting Officer" throughout the clause." In paragraph (e), insert "and Lockheed Martin" after "Government".
- 52.223-3 **Hazardous Material Identification and Material Safety Data (JAN 1997).** "Government" means Buyer or the Government.
- 52.223-7 **Notice of Radioactive Materials (JAN 1997).** "Government" means Buyer or the Government. In paragraph (a), "Contracting Officer" means Buyer.
- 52.223-11 **Ozone - Depleting Substances (MAR 2001).**
- 52.223-14*** **Toxic Chemical Release Reporting (AUG 2003).** Applies if this PO was awarded on the basis of competition and

- exceeds \$100,000 including the value of all options. Delete paragraph (e).
- 52.225-5 **Trade Agreements (AUG 2007).** (Applicable if work contains other than US made or designated country end products as specified in the clause).
- 52.225-13 **Restrictions on Certain Foreign Purchases (FEB 2006).**
- 52.228-3 **Workers' Compensation Insurance (Defense Base Act) (APR 1984).** Applies if the Defense Base Act applies to this PO.
- 52.228-5 **Insurance - Work on a Government Installation (JAN 1997).** Applies if work is to be performed on a Government installation.
- 52.229-3 **Federal, State and Local Taxes (APR 2003).** "Government" and "Contracting Officer" mean Buyer.
- 52.229-4 **Federal, State and Local Taxes (State and Local Adjustments) (APR 2003).** "Government" and "Contracting Officer" mean Buyer except in (a), the excepted tax definition, "Government" means Government.
- 52.229-6 **Taxes - Foreign Fixed-Price Contracts (JUN 2003).** The FAR takes cognizance of the fact that Tax Agreements have been entered into between the United States Government and the Consortium Countries (Belgium, Denmark, the Netherlands and Norway) under which United States expenditures for the common defense are exempt from certain taxes and duties of the Consortium Countries in which such expenditures are made. In accordance with and subject to the above clause, Seller has not included any allowance for such aforementioned taxes and duties in the PO price. In addition, the PO prices herein contain no allowance for any other taxes or duties applicable to this PO which may be levied or assessed by any governmental agency or taxing authority outside the United States. In the event that Seller or any subcontractor hereunder is required to pay or bear the burden of any other such taxes or duties, the PO price herein shall be correspondingly increased.
- 52.233-3 **Protest After Award (AUG 1996).** "Protest" means "Protest under the prime contract". "Contracting Officer" and "Government" mean "Lockheed Martin". "30 days" is changed to "20 days" .
- 52.234-1 **Industrial Resources Developed Under Defense Production Act Title III (DEC 1994).** "Contracting Officer" means Buyer.
- 52.237-8*** **Restriction on Severance Payments to Foreign Nationals (AUG 2003).**
- 52.239-1 **Privacy or Security Safeguards (AUG 1996).**
- 52.242-13 **Bankruptcy (JUL 1995).**

- 52.242-15 **Stop Work Order (AUG 1989).** "Contracting Officer" and "Government" mean Buyer.
- 52.243-1 **Changes - Fixed Price (AUG 1987).** "Contracting Officer" and "Government" mean Buyer.
- 52.243-6 **Change Order Accounting (APR 1984).** Applicable if Prime Contract requires change order accounting. Substitute "Lockheed Martin Procurement Representative" for "Contracting Officer" throughout the clause.
- 52.244-5 **Competition in Subcontracting (DEC 1996).**
- 52.244-6 **Subcontracts for Commercial Items (MAR 2007)**
- 52.245-1 **Government Property (Fixed-Price Contracts) (JUN 2007).**
 "Contracting Officer" means "Lockheed Martin" except in the definition of Property Administrator and in paragraphs (h)(1)(iii) and where it is unchanged, and in paragraphs (c) and (h)(4) where it includes Lockheed Martin. "Government" is unchanged in the phrases "Government property" and "Government furnished property" and where elsewhere used except in paragraph (d)(1) where it means "Lockheed Martin" and except in paragraphs (d)(2) and (g) where the term includes "Lockheed Martin." The following is added as paragraph (n) "Seller shall provide to Lockheed Martin immediate notice of any disapproval, withdrawal of approval, or nonacceptance by the Government of Seller's property control system."
- 52.246-2 **Inspection of Supplies - Fixed-Price (AUG 1996).**
 "Contracting Officer" means Buyer. "Government" means Buyer except that the first time it appears in the first sentence of Paragraph (b) and in the fourth sentence of Paragraph (b), and throughout paragraphs (c) and (d), it means Buyer and the Government (provided, however, that an inspection system accepted by the Government will be deemed acceptable to the Buyer), and the first time it appears in Paragraph (k), it means Government or Buyer. The provisions in the clause for access, rights to inspect, safety protection, and relief from liability apply equally to Buyer and the Government.
- 52.247-63*** **Preference for U.S. - Flag Air Carriers (JUN 2003).** Applies if this PO involves international air transportation.
- 52.247-64 **Preference for Privately Owned U.S. – Flag Commercial Vessels (FEB 2006).** This clause does not apply to subcontracts under DoD prime contracts.
- 52.248-1*** **Value Engineering (FEB 2000).** Applies if this PO exceeds \$100,000. "Contracting Officer" means Buyer, "contracting office" means "US Government contracting office," "Government" means Buyer, except in subparagraph (c)(5) and paragraph (m), where it means Government and Buyer."

Also, "Government" does not mean Buyer in the phrase "Government costs."

- 52.249-2 **Termination for Convenience (Fixed-Price) (MAY 2004).** "Government" and "Contracting Officer" mean Buyer, except in Paragraph (n), where they mean Government and Contracting Officer, respectively. In paragraph (c), "120 days" and "120-day period" mean 60 days and 60-day period, respectively. In Paragraph (d), the term "45 days" is changed to "90 days." The term "1 year" in Paragraph (e) is changed to "6 months."
- 52.249-8 **Default (APR 1984).** "Government" and "Contracting Officer" mean Buyer, except in paragraph (c), where they mean Government and Contracting Officer, respectively.

DFARS

TITLE

- 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).** In paragraph (b) "45 days" is changed to "60 days," and "Contracting Officer" means Buyer.
- 252.208-7000 **Intent to Furnish Precious Metals as Government-Furnished Material (DEC 1991).**
- 252.211-7000 **Acquisition Streamlining (DEC 1991).** Applies if this PO exceeds \$1,000,000.
- 252.211-7003 **Item Identification and Valuation (JUN 2005)** Applicable if this Contract requires the Items to contain unique item identification. Paragraph (c)(1)(iii) – "TBD". In (c)(3)(i), (c)(4)(i), (d), (e), and (f) "Contractor" shall mean "Subcontractor"; all reports required to be submitted under this clause shall be submitted to Lockheed Martin at a location to be identified; delete paragraph (g) and insert the following in lieu thereof: (g) Lower-Tier Subcontracts. Seller shall include this clause, including this paragraph (g), in all lower tier subcontracts issued under this Subcontract.
- 252.211-7007 **Item Unique Identification of Government Property (SEP 2007).** Applicable if the contract requires Government Property in Seller's possession to contain unique item identification.
- 252.215-7000 **Pricing Adjustments (DEC 1991).**
- 252.215-7003 **Excessive Pass Through Charges-Identification of Subcontract Effort (APR 2007)**

- 252.215-7004 **Excessive Pass Through Charges (APR 2007).** Applies unless this contract is a fixed price contract, including fixed-price subcontracts with economic price adjustment, awarded on the basis of adequate price competition. Communications with the Contracting Officer under this clause shall be made through Lockheed Martin. In paragraph (a), "Government" means "Government or Lockheed Martin" and "Contracting Officer" means "Contracting Officer or Lockheed Martin"; In paragraph (b), "Government" means "Government or Lockheed Martin"; In paragraph (c), "Contracting Officer" means Lockheed Martin"; In paragraph (d), "Contracting Officer " means "Contracting Officer or Lockheed Martin" and "Government" means "Government or Lockheed Martin" In paragraph (e), the term "Contracting Officer" includes Lockheed Martin. If the Contracting Officer or Lockheed Martin determines excessive pass-through charges are included in Seller's prices, Lockheed Martin shall make an adjustment to exclude such charges.
- 252.219-7003 **Small, Small Disadvantaged and Women-owned Small Business Subcontracting Plan (DoD Contracts) (APR 2007).** Applies if FAR 52.219-9 is included in this contract. Paragraph (g) is deleted.
- 252.223-7001 **Hazard Warning Labels (DEC 1991).**
- 252.223-7002 **Safety Precautions for Ammunition and Explosives (MAY 1994).** Applies if this PO involves ammunition or explosives.
- 252.223-7003 **Change in Place of Performance - Ammunition and Explosives (DEC 1991).** "Contracting Officer" means Buyer.
- 252.223-7006 **Prohibition on Storage and Disposal of Toxic and Hazardous Materials (APR 1993), with its Alternate I (NOV 1995).** Applies if this PO requires, may require, or permits a subcontractor to treat or dispose of Non-DOD-owned toxic or hazardous materials as defined in the clause. "Government" means Government and Buyer.
- 252.223-7007 **Safeguarding Sensitive Conventional Arms, Ammunition, and Explosives (SEP 1999).** Applies if this PO is for the development, production, manufacture, or purchase of arms, ammunition, and explosives ("AA&E"), or when AA&E will be provided to the subcontractor as Government-furnished property. In paragraph (e) add the words "and Buyer" after the word "office."
- 252.225-7001 **Buy American Act and Balance of Payments Program (JUN 2005).**
- 252.225-7002 **Qualifying Country Sources as Subcontractors (APR 2003).**

- 252.225-7003 **Report of Intended Performance Outside the United States and Canada (DEC 2006).** Applies if this PO exceeds \$550,000.
- 252.225-7004*** **Reporting of Contract Performance Outside the United States and Canada-Submission after Award (MAY 2007).** Applies if this PO exceeds \$550,000.
- 252.225-7006*** **QUARTERLY REPORTING OF ACTUAL CONTRACT PERFORMANCE OUTSIDE THE UNITED STATES” (MAY 2007)** Applies if this PO exceeds \$550,000. Paragraph (f) is deleted.
- 252.225-7007 **Prohibition in Acquisition of US Munitions List Items from Communist Chinese Military Companies (SEP 2006)** Applicable if Seller is supplying items on US Munitions List.
- 252.225-7012 **Preference for Certain Domestic Commodities (MAR 2008).**
- 252.225-7013 **Duty-Free Entry (OCT 2006).** Applies if supplies will be imported into the Customs Territory of the United States. “Administrative Contracting Officer (ACO)” means Buyer. Communication/notification required under this clause from/to the Seller to/from the Contracting Officer shall be through Buyer.
- 252.225-7014 **Preference for Domestic Specialty Metals (JUN 2005), with its Alternate I (APR 2003).**
- 252.225-7015 **Restriction on Acquisition of Hand or Measuring Tools (JUN 2005).**
- 252.225-7016 **Restriction on Acquisition of Ball and Roller Bearings (MAR 2006).**
- 252.225-7021 **Trade Agreements (MAR 2007).**
- 252.225-7027 **Restriction on Contingent Fees for Foreign Military Sales (APR 2003).** Countries listed in the prime contract(s) are incorporated herein by reference. For foreign military sales, unless the contingent fees have been identified and payment approved in writing by Buyer and the foreign customer before award of both the prime contract and PO award, contingent fees are unallowable under this PO, and Seller agrees that no such fee is included in the price or cost of this PO.
- 252.225-7028 **Exclusionary Policies and Practices of Foreign Governments (APR 2003).**
- 252.225-7030 **Restriction on Acquisition of Carbon, Alloy, and Armor Steel Plate (DEC 2006).**
- 252.225-7033 **Waiver of United Kingdom Levies (APR 2003).**
- 252.225-7043 **ANTITERRORISM/FORCE PROTECTION FOR DEFENSE CONTRACTORS OUTSIDE THE UNITED STATES” (MARCH 2006).** Paragraph (d): information and guidance pertaining to DoD antiterrorism/force protection can be obtained from HQ AFSFC/SFPA: telephone(210) 925-7035/36.

252.226-7001***	Utilization of Indian Organizations and Indian-Owned Economic Enterprises—DoD Contracts (SEP 2004). Applies if this PO exceeds \$500,000.
252.228-7005	Accident Reporting and Investigation Involving Aircraft, Missiles, and Space Launch Vehicles (DEC 1991) .
252.231-7000	Supplemental Cost Principles (DEC 1991).
252.235-7003	Frequency Authorization (DEC 1991). Applies if this PO requires the development, production, construction, testing, or operation of a device for which a radio frequency authorization is required.
252.235-7010	Acknowledgment of Support and Disclaimer (MAY 1995).
252.239-7000	Protection Against Compromising Emanations (JUN 2004). Government” means Government and Buyer.
252.239-7016	Telecommunications Security Equipment, Devices, Techniques, and Services (DEC 1991). Applies if this PO requires securing telecommunications.
252.243-7001	Pricing of Contract Modifications (DEC 1991).
252.244-7000,	SUBCONTRACTS FOR COMMERCIAL ITEMS AND COMMERCIAL COMPONENTS (DOD COONTRACTS) (JAN 2007)
252.246-7001	Warranty of Data (DEC 1991). “Contracting” Officer” and “Government” mean Buyer.
252.246-7003	NOTIFICATION OF POTENTIAL SAFETY ISSUES (JAN 2007) (Applicable if this Contract is for (i) parts identified as critical safety items; (ii) systems and subsystems, assemblies, and subassemblies integral to a system; or (iii) repair, maintenance, logistics support, or overhaul services for systems and subsystems, assemblies, subassemblies, and parts integral to a system. Contractor shall provide notifications to LOCKHEED MARTIN and the contracting officer identified to Contractor.
252.247-7023	Transportation of Supplies by Sea (MAY 2002). Applies if this PO exceeds \$100,000. “Contracting Officer” means Buyer. In paragraph (e), delete the phrase, “within 30 days....Washington, D.C. 20590,” and replace with the phrase “furnish with each invoice submitted for payment.” This clause applies only to subcontracts issued under DoD prime contracts.
252.247-7024	Notification of Transportation of Supplies by Sea (MAR 2000). Contracting Officer” means Buyer. This clause applies only to subcontracts issued under DoD prime contracts.
252.249-7002	Notification of Proposed Program Termination or Reduction (DEC 2006). Applies if this PO is for \$550,000 or more.