

LOCKHEED MARTIN AERONAUTICS COMPANY
PRIME SUPPLEMENTAL FLOWDOWN DOCUMENT (PSFD)
ADDITIONAL TERMS AND CONDITIONS
FOR SUBCONTRACTS/PURCHASE ORDERS UNDER
AFP 4 FACILITIES LEASE
F33657-97-L-2018

Generated using Lockheed Martin CorpDocs 2016 Version

REV. 1: NOV. 7, 2016

ORIGINAL: SEP 3 2015

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

PART I. DELETIONS: The following clauses are deleted in their entirety from the applicable CorpDocs incorporated into this Contract:

FAR 52.225-1 BUY AMERICAN ACT -- SUPPLIES

FAR 52.225-5 TRADE AGREEMENTS

FAR 52.230-5 COST ACCOUNTING STANDARDS -- EDUCATIONAL INSTITUTIONS

FAR 52.243-1 CHANGES - FIXED PRICE

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FAR 52.243-6 CHANGE ORDER ACCOUNTING

FAR 52.246-2 INSPECTION OF SUPPLIES - FIXED PRICE

FAR 52.246-4 INSPECTION OF SERVICES - FIXED PRICE

FAR 52.248-1 VALUE ENGINEERING

FAR 52.249-5 TERMINATION FOR CONVENIENCE OF THE GOVERNMENT
(EDUCATIONAL AND OTHER NONPROFIT INSTITUTIONS)

FAR 52.249-2 TERMINATION FOR CONVENIENCE OF THE GOVERNMENT (FIXED-
PRICE)

FAR 52.249-8 DEFAULT (FIXED-PRICE SUPPLY AND SERVICE)

DFARS 252.225-7001 BUY AMERICAN AND BALANCE OF PAYMENTS PROGRAM

DFARS 252.225-7021 TRADE AGREEMENTS

PART III. ADDITIONS: The following FAR, DFARS, and other agency clauses are incorporated into this Contract in addition to those set out in the applicable CorpDocs:

FAR 52.203-08 (MAY 2014) CANCELLATION, RESCISSION, AND RECOVERY OF FUNDS FOR ILLEGAL OR IMPROPER ACTIVITY (MAY 2014)

FAR 52.203-15 (JUN 2010) WHISTLEBLOWER PROTECTION UNDER THE AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009

FAR 52.222-1 NOTICE TO THE GOVERNMENT OF LABOR DISPUTES (FEB 1997)

FAR 52.222-4 CONTRACT WORK HOURS AND SAFETY STANDARDS ACT - OVERTIME COMPENSATION (MAY 2014) APPLIES IF THIS CONTRACT REQUIRES OR INVOLVES THE EMPLOYMENT OF LABORERS AND MECHANICS.

FAR 52.222-06 (MAY 2014) CONSTRUCTION WAGE RATE REQUIREMENTS

FAR 52.222-7 WITHHOLDING OF FUNDS (MAY 2014) "CONTRACTING OFFICER" MEANS "LOCKHEED MARTIN."

FAR 52.222-8 PAYROLLS AND BASIC RECORDS (MAY 2014)

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FAR 52.222-9 APPRENTICES AND TRAINEES (JUL 2005)

FAR 52.222-10 COMPLIANCE WITH COPELAND ACT REQUIREMENTS. (FEB 1988)

FAR 52.222-11 SUBCONTRACTS (LABOR STANDARDS) (MAY 2014) - The last sentence of paragraph (a) is revised to read as follows: "Seller is responsible for compliance by any lower tier subcontractor with all the contract clauses cited in this paragraph."

FAR 52.222-12 CONTRACT TERMINATION – DEBARMENT (MAY 2014)

FAR 52.222-13 COMPLIANCE WITH CONSTRUCTION WAGE RATE REQUIREMENTS AND RELATED REGULATIONS (MAY 2014)

FAR 52.222-14 DISPUTES CONCERNING LABOR STANDARDS (FEB 1988)

FAR 52.222-15 CERTIFICATION OF ELIGIBILITY. (MAY 2014)

FAR 52.222-16 APPROVAL OF WAGE RATES (FEB 1988) "Government" means "Lockheed Martin."

FAR 52.222-17 NONDISPLACEMENT OF QUALIFIED WORKERS (MAY 2014)
Applies if this is a subcontracts for services in excess of \$150,000.

FAR 52.222-23 NOTICE OF REQUIREMENT FOR AFFIRMATIVE ACTION TO ENSURE EQUAL EMPLOYMENT OPPORTUNITY FOR CONSTRUCTION (FEB 1999)

FAR 52.222-27 AFFIRMATIVE ACTION COMPLIANCE REQUIREMENTS FOR CONSTRUCTION (APR 2015) Applies if this contract exceeds \$10,000

FAR 52.222-30 CONSTRUCTION WAGE RATE REQUIREMENTS—PRICE ADJUSTMENT (NONE OR SEPARATELY SPECIFIED METHOD) (DEC 2001) Contracting Officer" means "Lockheed Martin."

FAR 52.222-31 CONSTRUCTION WAGE RATE REQUIREMENTS—PRICE ADJUSTMENT (PERCENTAGE METHOD) (MAY 2014) "Contracting Officer" means "Lockheed Martin."

FAR 52.222-32 CONSTRUCTION WAGE RATE REQUIREMENTS—PRICE ADJUSTMENT (ACTUAL METHOD) (MAY 2014) "Contracting Officer" means "Lockheed Martin."

FAR 52.223-15 (DEC 2007) ENERGY EFFICIENCY IN ENERGY-CONSUMING PRODUCTS - Flowdown in (Applicable if: energy consuming products will be delivered to the Government; acquired by the Contractor for use in performing services at a Federally-controlled

facility; furnished under the prime contract for use by the Government; or specified in the design of a building or work, or incorporated during its construction, renovation, or maintenance.)

FAR 52.225-9 (MAY 2014) BUY AMERICAN ACT - CONSTRUCTION MATERIALS
(Applicable if the Work contains other than domestic components as defined by this clause.)

FAR 52.225-10 NOTICE OF BUY AMERICAN REQUIREMENT -- CONSTRUCTION MATERIALS (MAY 2014)

FAR 52.225-11 (FEB 2016) BUY AMERICAN ACT-CONSTRUCTION MATERIALS UNDER TRADE AGREEMENTS -

FAR 52.225-12 NOTICE OF BUY AMERICAN ACT REQUIREMENT -- CONSTRUCTION MATERIALS UNDER TRADE AGREEMENTS (FEB 2009)

FAR 52.225-21 REQUIRED USE OF AMERICAN IRON, STEEL, AND MANUFACTURED GOODS—BUY AMERICAN STATUTE—CONSTRUCTION MATERIALS (MAY 2014)
Applies if this subcontract involves the furnishing of steel, and other manufactured goods for use as construction material.

FAR 52.225-23 REQUIRED USE OF AMERICAN IRON, STEEL, AND MANUFACTURED GOODS—BUY AMERICAN STATUTE—CONSTRUCTION MATERIALS UNDER TRADE AGREEMENTS (FEB 2016) Applies if this subcontract involves the furnishing of steel, and other manufactured goods for use as construction material.

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

FAR 52.228-5 INSURANCE - WORK ON A GOVERNMENT INSTALLATION (JAN 1997)
Applies if this Contract involves work on a Government installation. "Contracting Officer" means "Lockheed Martin." In paragraph (b) "Government's" means "Lockheed Martin's or the Government's." Unless otherwise specified by this contract, the minimum kinds and amount of insurance shall be as described in FAR 28.307-2.

FAR 52.232-17 (MAY 2014) INTEREST ("Government" means "Lockheed Martin." Does not apply for Commercial Items as defined in FAR 2.101.)

FAR 52.232-27 (OCT 2008) PROMPT PAYMENT FOR CONSTRUCTION CONTRACTS ("Contracting Officer" means "Lockheed Martin." "Government" means "Lockheed Martin." Does not apply for Commercial Items as defined in FAR 2.101.)

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FAR 52.236-2 DIFFERING SITE CONDITIONS (APR 1984) - "Contracting Officer" means "Lockheed Martin Procurement Representative"

FAR 52.236-3 SITE INVESTIGATION AND CONDITIONS AFFECTING THE WORK (APR 1984)

FAR 52.236-5 (APR 1984) MATERIAL AND WORKMANSHIP ("Contracting Officer" means "Lockheed Martin.")

FAR 52.236-6 SUPERINTENDENCE BY THE CONTRACTOR (APR 1984) - Contracting Officer" means "Lockheed Martin Procurement Representative"

FAR 52.236-7 (NOV 1991) PERMITS AND RESPONSIBILITIES ("Government" means "Lockheed Martin.")

FAR 52.236-8 OTHER CONTRACTS (APR 1984) "Government" and "Contracting Officer" means "Lockheed Martin."

FAR 52.236-9 PROTECTION OF EXISTING VEGETATION, STRUCTURES, EQUIPMENT, UTILITIES AND IMPROVEMENTS (APR 1984) - "Contracting Officer" means "Lockheed Martin."

FAR 52.236-10 OPERATIONS AND STORAGE AREAS (APR 1984) - "Contracting Officer" means "Lockheed Martin."

FAR 52.236-11 USE AND POSSESSION PRIOR TO COMPLETION - "Contracting Officer" means "Lockheed Martin Procurement Representative"

FAR 52.236-12 CLEANING UP (APR 1984) -"Contracting Officer" means "Lockheed Martin Procurement Representative"

FAR 52.236-13 ACCIDENT PREVENTION (NOV 1991) -"Contracting Officer" means "Lockheed Martin or the Contracting Officer." "Government" means "Lockheed Martin or Government"

FAR 52.236-15 (APR 1984) SCHEDULES FOR CONSTRUCTION CONTRACTS ("Government" and "Contracting Officer" mean "Lockheed Martin.")

FAR 52.236-17 LAYOUT OF WORK (APR 1984)

FAR 52.236-19 (APR 1984) ORGANIZATION AND DIRECTION OF THE WORK ("Contracting Officer" means "Lockheed Martin").

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FAR 52.236-21 SPECIFICATIONS AND DRAWINGS FOR CONSTRUCTION (FEB 1997) - "Contracting Officer" means Lockheed Martin except in the first sentence of paragraph (a) where it means "Lockheed Martin and the Contracting Officer." "Government" means Lockheed Martin and the Government.

FAR 52.236-24 WORK OVERSIGHT IN ARCHITECT-ENGINEER CONTRACTS (APR 1984) - "Contractor" means Seller, and "Contracting Officer" means Lockheed Martin.

FAR 52.236-25 REQUIREMENTS FOR REGISTRATION OF DESIGNERS (JUN 2003)

FAR 52.236-27 SITE VISIT (CONSTRUCTION) (FEB 1995)

FAR 52.237-1 SITE VISIT (APR 1984)

FAR 52.237-2 PROTECTION OF GOVERNMENT BUILDINGS, EQUIPMENT AND VEGETATION (APR 1984)- "Contractor" means Seller, and "Government" and "Contracting Officer" mean Lockheed Martin except in first sentence "Government installation" means Government installation or Lockheed Martin property.

FAR 52.245-2 GOVERNMENT PROPERTY INSTALLATION OPERATION SERVICES (AUG 2010) Government includes Lockheed Martin except in the phrase "Government property." "Contracting Officer" means "Lockheed Martin."

FAR 52.245-9 (JUN 2007) USE AND CHARGES (Applicable to subcontracts where Government property will be provided). Communications with the Government under this clause will be made through Lockheed Martin.

FAR 52.248-3 VALUE ENGINEERING CONSTRUCTION (SEP 2006) "Government" means "Lockheed Martin or the Government except in paragraph (i) where the term is unchanged. "Contracting Officer" means "Lockheed Martin and the Contracting Officer

DFARS 252.211-7007 (AUG 2012) REPORTING OF GOVERNMENT-FURNISHED PROPERTY (Applies if Seller will be in possession of Government property for the performance of this contract unless Lockheed Martin will assume responsibility for marking the property).

DFARS 252.219-7004 (OCT 2014) SMALL BUSINESS SUBCONTRACTING PLAN (TEST PROGRAM). (Does not apply to Commercial Items as defined in FAR 2.101.)

DFARS 252.223-7006 (SEP 2014) PROHIBITION ON STORAGE, TREATMENT, AND DISPOSAL OF TOXIC OR HAZARDOUS MATERIALS ("Government" means "Lockheed Martin and Government." Does not apply for Commercial Items as defined in FAR 2.101).

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DFARS 252.243-7002 (DEC 2012) REQUESTS FOR EQUITABLE ADJUSTMENT ("Government" means "Lockheed Martin." Does not apply for Commercial Items as defined in FAR 2.101).

AFFARS 5352.223-9000 (APR 2003) ELIMINATION OF USE OF CLASS I OZONE DEPLETING SUBSTANCES (ODS) (The blank in paragraph (d) is completed with "None." In paragraph (d) "Contracting Officer" means "Lockheed Martin." Does not apply for Commercial Items as defined in FAR 2.101).

Part IV. SECTION H –PRIME CONTRACT SPECIAL PROVISIONS

For purposes of this Section H, “Government” means the United States Government. The following Section H clauses are incorporated into the Contract in full-text:

LEASE CLAUSE - H012 LIABILITY AND INSURANCE (Nov 2015) POSSIBLE Applicable Excerpts

- a) The **SELLER** assumes the risk of, and shall be responsible for, any loss of Government property associated with this Lease upon its delivery to the SELLER as Government-furnished property.

OTHER APPLICABLE INFORMATION

SOW Paragraph 49 Nov 2015

49.0 ARCHITECTURE AND ENGINEERING SERVICES

49.1 In accordance with the requirement of Federal Acquisition Regulation (FAR) 36.209 entitled "Construction Contracts with Architecture -Engineering Firms" and FAR paragraph (c) of 36.606 entitled "Negotiations", for appropriated funded projects only, the SELLER shall ensure that no construction contract is awarded to the firm or its subsidiaries or affiliates that designed the project, except with the approval of the Head of the Air Force (Agency) or authorized representative which shall be provided by the Contracting Officer, unless the Lessee uses the two-phase design-build selection procedures in accordance with FAR 36.3 entitled "Two- Phase Design-Build Selection Procedures". FAR 36.209 does not apply to projects funded with base rent credits and supplemental rent credits.

PCO Letter WNVK-15-110, Aug 2015 **Non Applicability of Certified Cost or Pricing Data to Projects Funded with Lease proceeds (Rent Credits)**

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LETTER EXCERPT

...“The requirement for certified cost and pricing data can be found in FAR 15.403 - Obtaining Certified Cost or Pricing Data. This FAR requirement is generated from the statute 10 U.S.C. 2306a. This statute requires "an offeror for a prime contract under this chapter shall be required to submit cost or pricing data." This chapter of the statute which codifies the TINA requirement only applies to those projects which are funded with "appropriated funds." This means that projects which are funded by lease proceeds, which do not contain an appropriation, are not required to comply with TINA and thus certified cost and pricing data is not required....”