

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

ORIGINAL: 3 SEPTEMBER 2015

REV 1: 7 NOVEMBER 2016

REV 2: 7 JULY 2026

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:

RESERVED

PART II. MODIFICATIONS: The dates or versions of the following FAR, DFARS, and other agency clauses are modified as follows and are incorporated into the Contract:

RESERVED

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 52.203-16 (DEC 2011) PREVENTING PERSONAL CONFLICTS OF INTEREST

FAR 52.204-10 (OCT 2015) REPORTING EXECUTIVE COMPENSATION AND FIRST-TIER SUBCONTRACT AWARDS. (Subparagraph (d)(2) does not apply. If Seller meets the thresholds specified in paragraphs (d)(3) and (g)(2) of the clause, Seller shall report required executive compensation by posting the information to the System for Award Management (SAM) database. All information posted will be available to the general public.)

FAR 52.215-12 DEVIATION 2022-O0001 (OCT 2021) SUBCONTRACTOR CERTIFIED COST OR PRICING DATA. (Applies if this contract exceeds the threshold for submission of cost or pricing data at FAR 15.403-4 and modifications are not otherwise exempt from the requirement to provide certified cost or pricing data.)

FAR 52.215-13 DEVIATION 2022-O0001 (OCT 2021) SUBCONTRACTOR CERTIFIED COST OR PRICING DATA – MODS. (Applies if this contract exceeds the threshold for submission of cost or pricing data at FAR 15.403-4 and modifications are not otherwise exempt from the requirement to provide certified cost or pricing data.)

FAR 52.219-9 2018-O00013 DEVIATION (APR 2018) SMALL BUSINESS SUBCONTRACTING PLAN. (Applies if this contract exceeds \$700,000. Does not apply if Seller is a small business concern. "Contracting Officer" means "Lockheed Martin" in paragraph (c). Seller's subcontracting plan is incorporated herein by reference.)

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

FAR 52.222-4 (MAY 2014) CONTRACT WORK HOURS AND SAFETY STANDARDS ACT - OVERTIME COMPENSATION. (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 (MAY 2014) WITHHOLDING OF FUNDS. ("Contracting Officer" means "Lockheed Martin")

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

FAR 52.222-9 (JUL 2005) APPRENTICES AND TRAINEES

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

FAR 52.222-11 (MAY 2014) SUBCONTRACTS (LABOR STANDARDS) (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 (MAY 2014) CONTRACT TERMINATION – DEBARMENT

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

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

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

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

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

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

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

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

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

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

FAR 52.223-15 (DEC 2007) ENERGY EFFICIENCY IN ENERGY-CONSUMING PRODUCTS. (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 52.223-16 (DEC 2007) IEEE 1680 STANDARD FOR THE ENVIRONMENTAL ASSESSMENT OF PERSONAL COMPUTER PRODUCTS.

FAR 52.223-16 ALT I (DEC 2007) ALTERNATE I - IEEE 1680 STANDARD FOR THE ENVIRONMENTAL ASSESSMENT OF PERSONAL COMPUTER PRODUCTS.

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 (MAY 2014) NOTICE OF BUY AMERICAN REQUIREMENT --
CONSTRUCTION MATERIALS**

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

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

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

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

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

**FAR 52.228-5 (JAN 1997) INSURANCE - WORK ON A GOVERNMENT
INSTALLATION.** (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.)

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

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

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

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

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

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

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

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

FAR 52.236-13 (NOV 1991) ACCIDENT PREVENTION. ("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 (APR 1984) LAYOUT OF WORK

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

FAR 52.236-21 (FEB 1997) SPECIFICATIONS AND DRAWINGS FOR CONSTRUCTION. ("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 (APR 1984) WORK OVERSIGHT IN ARCHITECT-ENGINEER CONTRACTS. ("Contractor" means Seller, and "Contracting Officer" means Lockheed Martin.)

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

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

FAR 52.237-1 (APR 1984) SITE VISIT

FAR 52.237-2 (APR 1984) PROTECTION OF GOVERNMENT BUILDINGS, EQUIPMENT AND VEGETATION. ("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 52.237-11 (SEP 2008) ACCEPTING AND DISPENSING OF \$1 COIN

FAR 52.243-2 ALT III (APR 1984) CHANGES – COST-REIMBURSEMENT. ("Contracting Officer" and "Government" mean "Lockheed Martin." In paragraph (a) add as subparagraph (4) "Delivery schedule." In paragraph (d) the reference to the disputes clause is deleted.)

FAR 52.243-4 (JUN 2007) CHANGES. ("Contracting Officer" and "Government" mean "Lockheed Martin." In paragraph (a) add as subparagraph (5) "Delivery schedule.")

FAR 52.245-2 (AUG 2010) GOVERNMENT PROPERTY INSTALLATION OPERATION SERVICES. (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 (SEP 2006) VALUE ENGINEERING CONSTRUCTION. ("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.")

FAR 52.249-6 ALT I (SEP 1996) TERMINATION (COST-REIMBURSEMENT)
("Government" and "Contracting Officer" mean "Lockheed Martin." In paragraph (f), "1 year" is changed to "six months." In paragraph (d) "120"days" is changed to "60 days." In paragraph (e) "15 days" is changed to "30 days," and "45 days" is changed to "60 days. "Paragraph (j) is deleted. Alternate IV applies if this is a time and materials or labor hour contract. Settlements and payments under this clause may be subject to the approval of the Prime Contract's Contracting Officer.)

DFARS 252.204-7004 (SEP 2007) ALTERNATE A, CENTRAL CONTRACTOR REGISTRATION

DFARS 252.204-7012 (MAY 2024) SAFEGUARDING COVERED DEFENSE INFORMATION AND CYBER INCIDENT REPORTING. (Applies if this Contract is for operationally critical support or for which subcontract performance will involve covered defense information Seller shall furnish Lockheed Martin copies of notices provided to the Contracting Officer at the time such notices are sent. Seller shall also furnish Lockheed Martin copies of any reports Seller receives from its lower tier subcontractors.)

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).

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).

DFARS 252.245-7004 (MAR 2015) REPORTING, REUTILIZATION, AND DISPOSAL. ("Contracting Officer" means Lockheed Martin.)

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.

LEASE CLAUSE - H012 LIABILITY AND INSURANCE (Nov 2015)

In addition to the standard Insurance requirements contained in this Contract, 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.

LEASE CLAUSE - H012 - LIABILITY AND INSURANCE (Nov 2015)

- (a) The Lessor shall not be responsible for damage to the property of the Lessee nor for damages to the property or injuries to the person of Lessee's officers, agents, servants, or employees or other persons on the Leased Property as invitees or licensees of the Lessee arising from the use of the Leased Property by the Lessee on or after the Effective Date of the Lease Extension, except to the extent otherwise provided by law or under other contract obligations. Lessee agrees to hold the Lessor harmless and indemnified from all loss, damage, liability, or expense incurred or claimed affecting any person or property or any and all damages arising out of or from the Lessee's use, acts, omissions, operation or possession of the Leased Property on or after the Effective Date of the Lease Extension. The Lessor shall be responsible for damage to property of Lessee and third parties and for injury to the person of Lessee's officers, agents, servants, employees, or other third parties on the Leased Property as invitees or licensees of the Lessee arising from any acts or omissions of the Lessor or any party acting on behalf of the Lessor including, but not limited to, other government agencies or a contractor (other than Lessee), subcontractor, vendor, agent, or invitee of Lessor.
- (b) The Contractor assumes the risk of, and shall be responsible for, any loss of Government property associated with this Lease upon its delivery to the Contractor as Government- furnished property (subject to the \$50M per year limit). However, the Contractor is not responsible for reasonable wear and tear to Government property or for Government property properly consumed in performing this contract.
- (c) Lessee's liability for loss or damage to the Facilities shall not exceed \$50M per year. A year for this requirement is defined as each 365 calendar days beginning on the effective date of P00383 and on each subsequent anniversary date, notwithstanding responsibilities for loss or destruction of, or damage to the Facilities connected with Environmental Claims or Environmental Releases are specified in Lease Clause 14 - Environmental Matters.

LEASE CLAUSE - H014 - ENVIRONMENTAL MATTERS (AUG 2009)

The allocation of rights, liabilities, and obligations under this clause pertains only to environmental matters. Rights, liabilities, and obligations not pertaining to environmental matters shall be governed under Clause 12.

- Liability and Insurance, other clauses of this Lease, the Statement of Work, and provisions of applicable law.
 - (a) Lessee shall operate the Facilities in accordance with the Environmental Laws and permit requirements.
 - (1) Failure by the Lessor to adequately fund requested projects or otherwise meet its environmental compliance or remediation obligations under this Lease, that result in violation of the Environmental Laws, shall be regarded as the responsibility of the Lessor, and Lessor shall be responsible for any fines or penalties resulting therefrom.
 - (2) Lessee is the operator of the Facilities, as that term is defined and used in the Environmental Laws. The Lessor shall be deemed to be the operator for remediation projects managed by the Lessor.
 - (3) Lessor is the owner of the Facilities, as that term is defined and used in the Environmental Laws.
 - (b) Lessee shall identify and give notice to the Lessor of the impact of any and all Environmental Laws, Executive Orders, and Lessor shall identify and give notice to the Lessee of any new or substantially revised DOD and AF Instructions, which may affect AFP 4 and which may require approvals, waivers, or funding to achieve and maintain timely compliance.
 - (1) Lessee shall give timely written notice, pursuant to the Statement of Work, of such funding requirements to Lessor, specifically to Air Force Material Command, Air Force Life Cycle Management Center, Acquisition Environmental and Industrial Facilities Division (AFLCMC/WNV), or its successor organization(s). The notice shall be submitted sufficiently before the need date to enable compliance and shall identify all construction, renovation, acquisition, modification, or any other requirement necessary to achieve or maintain compliance with Environmental Laws, and applicable Executive Orders, DOD and AF Instructions.
 - (2) For Lessor funding obligations, as identified by Lessee and with respect to which Lessee gave notice pursuant to paragraph (b)(1) above, the Contracting Officer shall provide any necessary funding and authorization for such requirements as will ensure compliance with Environmental Laws, and applicable Executive Orders, DOD and AF Instructions subject to the availability of funds. Should the Lessor fail to provide such funding, and costs not inconsistent with the duty under paragraph 14(a) to operate in compliance with the Environmental Laws and permit requirements are incurred by Lessee on account of such failure, Lessor acknowledges that resulting reasonable compliance

costs incurred by Lessee are the responsibility of the Lessor subject to the availability of funds. Lessee shall be entitled to submit a claim for reimbursement of such costs.

- (3) Should a funding failure or delay in funding result in Lessee's inability to use the Facilities, in whole or in part, an excusable delay may have occurred and Lessee may submit a request for equitable adjustment pursuant to any RPC.
- (c) Lessee shall identify the need for, prepare, and sign as operator, if and as required by Environmental Laws, applicable Executive Orders, and DOD and AF Instructions, any and all applications for environmental permits, licenses, or other applicable documentation necessary to operate the Facilities in compliance with the Environmental Laws. Lessee shall ordinarily give Lessor (AFLCMC/WNV) 30 days to review the foregoing prior to the due date. AFLCMC/WNV shall provide any necessary assistance or cooperation (including signatures for permits) as may be required to operate the facilities.
- (d) Lessee shall, upon receipt of any Environmental Claim, immediately forward a copy of same to the CO, ACO, and to AFLCMC/WNV.
- (e) For purposes of this Lease Clause 14, Lessee shall be responsible up to the express monetary limitation stated below for any and all damage to and for any and all environmental remediation at the Facilities that arises from any acts or omissions of the Lessee and any party acting on behalf of Lessee including, but not limited to, any parent, subsidiary, subcontractor, sub Lessee, vendor, agent, employee, invitee, legal successor in interest to Lessee, after the Effective Date of the Lease. For the first Lease Term (01 January 1998 - 31 October 2007) Lessee's liability for the aforementioned acts or omissions shall be limited to a total of \$5,000,000. Should the Lessee renew the Lease Term in accordance with Clause 2 hereof, the amount of liability for the aforementioned acts or omissions for that renewed Lease Term (01 November 2007 - 31 August 2009) shall be limited to a total of \$10,000,000. For any extension beyond the second Lease Term or establishment of a new lease, the Lessee shall be fully responsible for the aforementioned acts or omissions occurring during that period. The Lessor shall be responsible for any and all damage to, and any and all environmental remediation at Facilities not made the responsibility of the Lessee pursuant to this paragraph, except for damage caused by the willful misconduct on the part of the Lessee including, but not limited to, any parent, subsidiary, subcontractor, sub Lessee, vendor, agent, employee, invitee, legal successor in interest to Lessee. These responsibilities shall survive the expiration or termination of this Lease.
- (f) The provisions of this Lease do not change the Parties' respective rights, liabilities, or responsibilities as they existed under Facilities Contract F33657-87-E-2183, any predecessor contracts, or otherwise, regarding environmental remediation or compliance with respect to actions that occurred prior to the Effective Date of the Lease.
- (g) For purposes of this Lease Clause 14, the Lessee, including, but not limited to, any parent, subsidiary, subcontractor, sub Lessee, vendor, agent, employee, invitee, legal successor in interest, acting on behalf of the Lessee, shall be responsible for any and all claims of injury to persons or damage to property of the Lessee or others arising from the Lessee's possession or use of the facilities occurring after the effective date of the Lease. The Lessor shall be responsible for any acts or omissions of any party acting on behalf of Lessor including, but not limited to, other government agencies or a contractor (other than Lessee), subcontractor, vendor, agent, or invitee of Lessor. The provisions of the Lessee's Related Procurement Contracts shall govern any assumption of liability by the Government for claims arising under those contracts.
- (h) Responsibility for Environmental Restoration with respect to an Environmental Release which occurred or occurs during the Lease Term shall be governed by the Statement of Work and shall not be included as an Environmental Compliance Operating Cost or an Environmental Compliance Project. Lessee, if necessary, will also submit out of cycle Environmental Compliance projects.
- (i) Institutional Controls (ICs) - ICs include administrative measures selected by the Air Force to restrict access and limit exposure to residual hazardous substances at sites identified in the current Record of Decision (ROD) (available at <http://afcec.publicadmin-record.us.af.mil/Search.aspx>) and any subsequent ROD Amendments promulgated in accordance with the Comprehensive Environmental Response Compensation and Liability Act and its amendments. The ICs are layered to prevent future unacceptable exposure and ensure the effectiveness of the chosen remedy. IC layering entails using different types of ICs at the same site to provide redundancy, thereby providing greater protection. Lessee will ensure IC controls are not compromised by Lessee activities. The IC layers for ROD sites include:
- (1) Site-Specific Restrictions. The site-specific ICs are selected based on characteristics of the individual hazardous substance site. These restrictions form the basis for the system of ICs at ROD sites and are reinforced by subsequent layers of protection.
 - (2) Residential Use Restrictions. The potential human health risks posed by hazardous substance sites have been evaluated assuming industrial worker exposure scenarios. Residential use of the

- property, including use for day care, is currently prohibited unless further evaluation demonstrates specific sites are suitable for residential land use. The Air Force has no plans to change the current or planned land use from industrial only.
- (3) Excavation Restrictions. These excavation restrictions are intended to prevent potential unauthorized transfer of contaminated soils at ROD sites. Prior to any excavation activities at these Sites, the AFLCMC AFP 4 IPT must be notified to ensure that any waste soils are handled and disposed appropriately. Soil may not be moved from these Installation Restoration Program Sites to other portions of AFP 4 property or removed offsite for purposes other than appropriate offsite disposal.
 - (4) Groundwater Restrictions. Terrace Alluvial groundwater (shallowest groundwater) is not a drinking water source and is not to be used as such. The removal of Terrace Alluvial groundwater is restricted in accordance with the ROD. If Lessee determines groundwater must be removed for construction or maintenance purposes, Lessee shall be responsible for its proper evacuation, handling, treatment, and ultimate disposition/disposal in accordance with Federal, State, and local laws and regulations.
 - (5) Real Property Management. Real property management processes are intended to verify that human health and the environment are protected, even in the event that a hazardous substance site is to be leased or transferred. These processes include environmental review procedures that must be followed prior to transfer and documentation that becomes incorporated into transfer documents, such as deeds or leases.

LEASE CLAUSE - H036 - SAFETY AND OCCUPATIONAL HEALTH (SOH) (SEP 2007)

- (a) LM Aero is solely responsible for compliance with the Occupational Safety and Health Act (OSHA) (Public Law 91-596), for the protection of its employees, and the resulting standards, OSHA 29 CFR 1900, 1910, and 1926, as well as all applicable State and Local requirements. It is LM Aero's sole responsibility to make certain that any additional identified safety and health requirements are also met. Additionally, LM Aero shall have oversight of the safety and health program of onsite subcontractor personnel. None of this effort is chargeable to the Lease.
- (b) LM Aero Safety and Occupational Health: LM Aero shall establish and maintain an acceptable safety and occupational health program in accordance with the requirements of the previous paragraph. LM Aero shall make program documentation available upon request by the Lessor.
- (c) LM Aero Safety and Occupational Health Manager: As part of the Contractor Safety and Occupational Health Program, LM Aero shall assign a person within 30 days of the date of the Lease Extension who will be the primary point of contact for the government.
- (d) Government Furnished Equipment/Property will be used for only for its intended purposes. Upon identification of its failure to meet current OSHA safety or health standards that piece of equipment not in compliance shall be removed from service until such time as it has been modified to bring it into OSHA compliance. The Lessor will not fund under this Lease the modification of Government-owned personal property to meet OSHA Standards. The Lessor may authorize the modification of such equipment only at the Lessee's expense. Modification to Government-owned real property, required in order to comply with applicable OSHA Standards, shall be identified for accomplishment by the Lessee in accordance with the Statement of Work.

LEASE CLAUSE - H037 - IMPLEMENTATION OF AGENCY INSTRUCTIONS (NOV 2015)

- (a) The Lessee shall meet the intent of all applicable Department of Defense, Air Force and Air Force Materiel Command directives, instructions, regulations and manuals CONOPS, and guidance applicable to GOCO facilities identified below. The Lessee also shall comply with all applicable laws, executive orders, and third party (e.g., EPA) regulations that have the force of law. The below instructions are directly related to GOCOs:
- (b) As it pertains to the work performed under this lease, the Lessee shall comply with the applicable contractor portions of the instructions listed in Tables 1 through 3 below, which are required to

occupy and operate Government Owned Contractor Operated (GOCO) Industrial Plant Real Property identified in this Lease. Compliance shall be based upon meeting the intended capability of the current versions of these documents. As these requirements change the Lessor shall notify the Lessee of these changes and the Lessee shall notify the Lessor of any areas of noncompliance and request clarification or relief from the requirement as applicable. Lessor will provide clarification and if deemed appropriate will seek waivers or other relief for the Lessee. The applicability of the instructions listed in Tables 1-3 below will be in accordance with this paragraph.

- (1) Physical Security, Antiterrorism (AT) and Emergency Management (EM): Lessee shall comply with the Physical Security, AT and EM related requirements identified in Table 1. The Lessee has legal and contractual responsibility for the physical security program as the employer and facility operator.
- (2) Fire Protection: Lessee shall comply with Fire Protection related requirements referenced in the Whole Building Design Guide at wbdg.org web site. The Lessee has legal and contractual responsibility for the fire protection program as the employer and facility operator. AF Industrial Plants are government owned/contractor operated (GOCOs) and the Plant Operators (per this Facilities Lease agreement) are specifically required to follow AFI 32-2001, Fire Emergency Services Program.
- (3) Environmental: Lessee shall comply with Environmental related requirements identified in Table 2. The Lessee's support of Lessor's Environmental Compliance and Remediation activities at AFP 4 shall be in accordance with the tasks delineated in Lease Clause 14 - Environmental Matters. The Lessee has legal and contractual responsibility for the environmental program as the employer and facility operator. Safety: Lessee shall comply with Safety related requirements identified in Table 3. The Lessee's support of Lessor's Safety activities at AFP 4 shall be in accordance with said requirements, including providing applicable documentation, hosting Lessor inspections, reporting mishaps, mitigating hazards and implementing corrective actions. The Lessee has legal and contractual responsibility for the safety assurance program as the employer and facility operator.
 - (i) The Lessee shall establish and maintain a Safety Assurance Program that is comprised of Lockheed Martin processes and procedures, as well as the individual safety plans that have been contractually accepted by the respective Government contracts and customers. The program shall cover occupational safety and health, grounds, explosives, flight, space systems safety and fire protection as applicable. The Lessee has legal and contractual responsibility for the safety assurance program as an employer and facility operator.
 - (ii) The burden of complying with OSHA is the Lessee's. The Lessor will not fund, under this Lease, the modification of Government-owned property, other than real property, to meet any OSHA Standards. The Government is not responsible for modifying Government- furnished personal property to meet OSHA standards. The Lessor may authorize the modification of such equipment at the Lessee's expense. The Lessee shall notify the Lessor of any real property modifications required in order to comply with OSHA standards in accordance with the Statement of Work.
- (c) Upon notification by the Lessor when Agency Instructions, new laws, or regulations are changed, the Lessee shall notify the Lessor of any implications requiring modification of the facilities, and shall propose a project(s) to bring the facilities into compliance with that new requirement. Facilities solutions will be considered for execution in the appropriated or rent/lease credits program.
- (d) When Agency Instructions do not clearly delineate a defense Contractor's responsibilities or distinguish them from Government responsibilities the Lessee will work with the Lessor to clearly define the Lessee's responsibilities.
- (e) Upon becoming aware of a conflict between the requirements of this lease and any other Related Procurement Contract, the Lessee shall notify the respective Government Contracting Officer(s) and work with them to implement an acceptable resolution.

Table 1 - Security / Antiterrorism-Related Requirements

GOCO Industrial Plant Real Property AFP 4 is comprised of Exclusive, Concurrent and Proprietary jurisdictions and all applicable federal, state, and local laws apply.

GOCO Industrial Plant Real Property AFP 4 will be considered a "Closed" site (excludes parking lots and other property outside the controlled perimeter) and requires entry control points to prevent unauthorized entry and counter the introduction of prohibited items, as well as, the improper exit of controlled items.

AFI 31-101, Integrated Defense

- **Physical Security Requirements.** Lessee will obtain concurrence from Lessor to ensure the following physical security requirements to enhance site security capabilities to deter, detect, assess, warn, defeat, delay, defend, and recover from identified threats. Lessee shall comply with all applicable Unified Facilities Code (UFC) references within AFI 31-101. See AFI 31-101 for additional information on the below requirements.
- **Warning Signs.** Place warning signs, in accordance with AFI 31-101 and AFMC Sup to 31-101, so they are clearly visible to persons immediately outside the perimeter of posted areas. Place signs so as not to aid intruders in climbing fences and breaching barriers/boundaries. Post additional signs (in other languages) in areas where English may not be the predominant language or where a large portion of the local population may only speak another language. Place signs at intervals not to exceed 100 yards and where boundaries make abrupt changes in direction.
- **Barriers and Obstacles.** Barriers and obstacles are designed or employed to channel, direct, restrict, delay or stop the movement of an opposing force and to impose additional losses in personnel, time and equipment on opposing force. Barriers and obstacles can exist naturally, be man-made or a combination of both. UFC 4-020-01, DoD Security Engineering Facilities Planning Manual, provides requirements on barrier employment and UFC 4-022-02, Selection and Application of Vehicle Barriers, provides requirements on design, selection, and installation of active and passive vehicle barriers associated with DoD facilities.
- **Fencing.** A fence (or any other natural barrier that offers equivalent protection) serves as a legal and physical demarcation of the area perimeter. It provides an obstacle and limited delay capability that must be breached by an intruder or improper exit. A breach of the barrier by anyone without authorization is evidence of illegal entry or exit. UFC 4-022-03 Security Engineering: Fences, Gates, and Guard Facilities, provides requirements on design, selection, and installation of security fences and gates.
- **Lighting.** Interior and exterior lighting systems must be carefully designed, including fixtures, lamps, primary and backup power, control components, and wiring. Coordinate closely with Lessor's personnel on each phase of lighting projects to meet all requirements, such as illumination levels, uniformity, color rendering, and energy conservation. UFC 3-530-01, Design: Interior, Exterior Lighting and Controls and AFI 31-101 provide requirements on design, selection, and installation of exterior/interior lighting systems.
- **Intrusion Detection Systems (IDS).** Install IDS as required by program contract and NISPOM IAW Underwriters Laboratories (UL) National Industrial Security System category (CRZH, CRZM) service standards. Lessee will obtain concurrence from Lessor on the selection and installation of any IDS that will protect Protection Level 1, 2 or 3 assets. Refer to AFI 31-101 for additional information on design, selection, and installation of IDS.
- **Clear Zones for Installation Perimeters.** Lessee will maintain a 30 foot clear zone. Area should be flat with vegetation short (6-in or under) to prevent the concealment of an intruder on the exterior and interior of the perimeter fence. If Lessee is unable to maintain a 30 foot clear zone (environmental laws, encroachment, drainage culverts, topographic, impractical due to facility location, etc...) Lessee will maintain the maximum clear zone as allowed. UFC 4-022-03 Security Engineering: Fences (SSP), Gates, and Guard Facilities, provides requirements on clear zones.

- **Site Security Plan.** The Site Security Plan codifies security efforts among responsible internal/external agencies to ensure all aspects of security are accomplished, considered and compensated for, if necessary. It also provides an understanding of security requirements for all personnel involved in security and describes how leadership employs available personnel, capabilities and concepts to accomplish the overall security mission. As a minimum, the Lessee's Site Security Plan will include the following:
 - o Security Director or designee approved asset criticality, threat, vulnerability and risk assessment data. The focus of the SSP should be COAs identified, approved and implemented to reduce risk.
 - o Security plans for each asset with a PL designation. Security plans for these assets will include:
 - Building number or name of the area involved, for each restricted and controlled area established pursuant to Section 21, Internal Security Act of 1950 (Title 50 U.S.C. 797) and DODI 5200.08.
 - Clearly defined restricted and controlled area locations, boundaries and markings. Note: Do not include detailed directions to the area or other information about the restricted or controlled areas in unclassified plans that might aid improper entry or exit.
 - Entry and internal circulation control measures, to include escort authority and entry authority list procedures, for all restricted and controlled areas IAW AFI 31-101, Chapter 7.
 - Clearly-defined security patrol response times to PL resources based upon approval of the appropriate Program Manager.
 - Responsibilities of owner/user personnel responsible for security in restricted and controlled areas.
 - Procedures for posting additional personnel requirements when restricted or controlled area sensors are not operational.
 - Lighting requirements as determined in AFI 31-101, Chapter 8.
 - o Routine and contingency security personnel posting requirements documented in the post priority chart.
 - o Patrol Zones.
 - o Persons authorized to grant or restrict entry into installations and authorize searches.
 - o Any unique entry control procedures for contingency operations.
 - o Vehicle search plans during normal and increased FPCONs.
 - o GOCO entry credential requirements.
 - o Permanent Deviations as approved by Lessor.
- **Contingency Plans.** Will be developed which outline the actions necessary to mitigate each event listed below. Contingency Plans can be maintain in the Site Security Plan.
 - o Civil disturbances or riots affecting the GOCO.
 - o Overt attack on the GOCO.
 - o Anti-robbery measures.
 - o Bomb threat and hostage situations.
 - o Plans for expedited emergency entry for off-base Fire, Medical or Law Enforcement personnel (as identified in mutual aid agreements) and installation first responders that reside off-base. If normal entry points are congested or closed, alternate or pre-designated ECPs should be identified to facilitate emergency response.
 - o Response to workplace violence situations.

AFI 31-101 AFMC Sup

- COCO/GOCO FACILITIES

Deviation AFP4 16-01 to AFMAN 31-113 is approved and in effect as of contract modification P00383. The Lessee will routinely employ random antiterrorism measures at all entry points. These measures will include but are not limited to searches of vehicles, pedestrian parcels, and use of Explosive Detection Equipment/canine etc. The Lessor will annually verify compliance with the approved deviation and ensure compliance with approved compensatory measures. The Lessor may

suspend the deviated condition during periods of increased threat or national emergency but may not arbitrarily revoke the deviation. If the Lessor finds that the Lessee is not in compliance with the conditions of the deviation, the Lessor will provide written notice of security deficiencies. Within 45 days of receipt, the Lessee shall implement appropriate corrective actions or propose a corrective action plan to correct such deficiencies. The CO will provide written concurrence and/or direction within 30 days. If and to the extent that this deviation is revoked, the Lessee will revert back to the excerpts of AFMAN 31-113 detailed below, after which both parties agree to evaluate impacts, which could result in a contract modification.

AFI 31-113, Installation Perimeter Access Control

- Lessee shall develop entry requirements and procedures for AF Plant 4 to restrict and/or control entrance to only those authorized persons and their vehicles, as defined by the Lessee, to protect personnel, resources and missions.
- Lessee shall have a minimum of two properly armed and trained personnel to control and secure each manned access entry control point when in operation.
- Lessee shall have a minimum of three properly armed and trained personnel to control, search and secure each designated Commercial Vehicle Search area when in operation.

AFI 10-245, Antiterrorism (AT)

- Standard 3: AT Risk Management. It will be left up to the Lessee to determine the methodology used to determine risk.
- Standard 13: AT Physical Security Measures.
- Standard 17: AT Construction and Building Considerations.
- Standard 19: AT Measures for Critical Asset Security (If required by Program Contract).
- Standard 20: Terrorism Incident Response Measures.
- Standard 21: Terrorism Consequence Management Measures.
- Standard 22: Force Protection Condition (FPCON) Measures. Lessee shall coordinate with Lessor to identify which FPCON measures do not apply to AFP 4.
- Standard 30: AT Resource Application.
- Lessee Security will notify AFLCMC/WNV of events/activities that occur that are considered suspicious activities. In addition, Lessee Security will report any of the following incidents to AFLCMC/WNV:
 - o Shooting Incidents. Any firearms discharge when serious injury, death or media interest is expected/involved.
 - o Deployment of the Final Denial Barriers when serious injury, death or media interest is expected/involved.
 - o Civil Disturbances.
 - o Protest activities or demonstrations.
 - o Law Enforcement Incidents. Requiring the response of an off-plant law enforcement agency when serious injury, death or media interest is expected/involved.
 - o Security Incidents. This category includes, but not limited to unlawful entry to AF aircraft, sabotage or attempted sabotage to AF facilities, assets, and/or resources, a breach of AF aircraft security, acts of vandalism directed at AF resources, hijacking or attempts, damage to AF aircraft.
 - o Security Personnel Incidents. This category includes, but not limited to use of Less Than Lethal (pepper spray, expandable baton, TAZER, etc.), accidents resulting in significant damage to government property or incidents when serious injury, death or media interest is expected/involved.
 - o Incident resulting in the serious injury, arrest, or unexplained absence of DoD personnel.
 - o Any other incident that would be deemed hostile or terroristic in nature. AFMAN 31-201, Volume 4, High-Risk Response
 - o Lessee will maintain plans on how organic security personnel will respond to situations listed in this manual. If Lessee does not have full response capabilities, they will

- coordinate and train with local law enforcement and/or joining DoD agencies to provide additional capabilities to respond to situations listed in this manual.
- Lessee will meet all applicable physical security requirements listed in AFI 31-101, Chapter 6 and AT Construction/Building Standards as listed in UFC 4-010-01 for new construction or major renovations to existing facilities, change of DoD occupancy level, window, skylight, and glazed door replacement and installation/building expansion.
- Lessee will coordinate with Lessor and follow deviation/waiver requirements as outlined in AFI 31-101, paragraph 6.8 or AFI 10-245, Attachment 6 when unable to meet requirements.
- Lessee's site security will maintain at least two security personnel that have a minimum of a secret clearance.
- Lessee's site security will liaison with Naval Air Station Joint Reserve Base Fort Worth Threat Working Group, Antiterrorism Officer and Security Forces to share threat information, increase/decrease in Force Protection Conditions/Measures and criminal/suspicious activities that could affect either site.
- Lessee will submit (for consideration) a Debarment packages to AFLCMC/WNV IAW AFI 31-101 Integrated Defense, AFI 31-113, Installation Perimeter Access Control, and AFMAN 31-201V7, Security Forces Administration and Reports for all personnel involved in the commission of a criminal offense when further access is inconsistent with the interests of national security. Lessee will maintain a copy of the debarment list at entry control point and pass issuing locations.
- Maintain a Crisis Management Plan that meets Lockheed Martin Aeronautics Company and Texas Department of Emergency Management (TDEM), Industry Program Planning and Operations standards in order to fulfill the applicable intent of AFI 10-2501, Air Force Emergency Management (EM) Program.
- Meet State Physical Security of Sensitive Conventional Arms, Ammunitions, and Explosives standards.

Table 2 - Environmental Related Requirements

- DoD Instruction 4715.6, Environmental Compliance
- DoD Instruction 4715.7, Environmental Restoration Program
- DoD Instruction 4715.17, Environmental Management System
- AF Instruction 23-201, Fuels Management
- AF Instruction 23-502, Recoverable and Waste Petroleum Products
- AF Instruction 32-1052, Facility Asbestos Management
- AF Instruction 32-1053, Pest Management Program
- AF Instruction 32-1066, Plumbing Systems
- AF Instruction 32-1067, Water Systems
- AF Instruction 32-7001, Environmental Management
- AF Instruction 32-7020, The Environmental Restoration Program
- AF Instruction 32-7040, Air Quality Compliance
- AF Instruction 32-7041, Water Quality Compliance
- AF Instruction 32-7042, Solid and Hazardous Waste Compliance
- AF Instruction 32-7044, Storage Tank Compliance
- AF Instruction 32-7047, Environmental Compliance, Release and Inspection Reporting
- AF Instruction 32-7061, The Environmental Impact Analysis Process
- AF Instruction 32-7064, Integrated Natural Resources Management
- AF Instruction 32-7065, Cultural Resources Management
- AF Instruction 32-7066, Environmental Baseline Survey In Real Estate Transactions
- AF Instruction 32-7080, Pollution Prevention Program
- AF Instruction 32-7086, Hazardous Material Management
- AF Instruction 90-803, ESOHCAMP

Table 3 - SAFETY RELATED REQUIREMENTS

- DoD Instruction 5100.76-M, Physical Security of Sensitive Conventional Arms, Ammunitions, and Explosives (AA&E)
- DoD Instruction 4145.26, DoD Contractor's Safety Requirements for Ammunition and Explosives (Ref. DoDI 6055.1)
- DoD Instruction 6055.01, DoD Safety and Occupational Health (SOH) Program
- AF Instruction 91-204, Safety Investigations and Reports

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)

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....”

REVISION 2 UPDATES:

ADDED:

- FAR 52.203-16 (DEC 2011)
- FAR 52.204-10 (OCT 2015)
- FAR 52.215-12 DEVIATION 2022-O0001 (OCT 2021)
- FAR 52.215-13 DEVIATION 2022-O0001 (OCT 2021)

- FAR 52.219-9 2018-O00013 DEVIATION (APR 2018)
- FAR 52.223-16 (DEC 2007)
- FAR 52.223-16 ALT I (DEC 2007)
- FAR 52.237-11 (SEP 2008)
- FAR 52.243-2 ALT III (APR 1984)
- FAR 52.243-4 (JUN 2007)
- FAR 52.249-6 ALT I (SEP 1996)
- DFARS 252.204-7004 (SEP 2007) ALTERNATE A
- DFARS 252.204-7012 (MAY 2024)
- LEASE CLAUSE - H-14 - ENVIRONMENTAL MATTERS (AUG 2009)
- LEASE CLAUSE - H-36 – SAFETY AND OCCUPATIONAL HEALTH (SOH) (SEP 2007)
- LEASE CLAUSE - H-37 – IMPLEMENTATION OF AGENCY INSTRUCTIONS (NOV 2015)