



**LOCKHEED MARTIN CORPORATION**

**PRIME SUPPLEMENTAL FLOWDOWN DOCUMENT (PSFD)**

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

**F-35/JSF OMNIBUS Basic Ordering Agreement Prime Contract N00019-14-G-0020**

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**REV 5: 4 AUG 2016**

**REV 4: 20 JUNE 2016**

**REV 3: 13 APR 2016**

**REV 2: 1 OCT 2015**

**REV 1: 12 JULY 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 PSFD is inapplicable to the performance of this Contract, the parties shall consider such clauses to be self-deleting and shall not impose any obligations upon the SELLER.

**PART I. The dates of the following FAR and DFARS clauses are modified as follows:**

RESERVED

**PART II. The following FAR, DFARS, and other Agency clauses are added:**

**FAR 52.216-16 (OCT-97) INCENTIVE PRICE REVISION FIRM TARGET.** (Applies if this is an Incentive Price Revision contract. "Contracting Officer," "contract administrative office" and "Government" mean "Lockheed Martin." Paragraph (i) is deleted. The blanks in the clause are completed with the amounts specified in the contract.)

**FAR 52.222-35 (JUL-14) EQUAL OPPORTUNITIES FOR VETERANS** (Applies if this contract is for \$100,000 or more.)

**FAR 52.222-42 STATEMENT OF EQUIVALENT RATES FOR FEDERAL HIRES (MAY 1989)** (Applies if this subcontract is subject to FAR 52.222-41. The information contained in the blanks of this clause is specified elsewhere in this contract.)

**FAR 52.222-44 FAIR LABOR STANDARDS ACT AND SERVICE CONTRACT ACT – PRICE ADJUSTMENT (SEP 2009)** (Applies if FAR 52.222-41 applies to this contract. "Contracting Officer" means "Lockheed Martin and the Contracting Officer" except in paragraph (e) where it means "Lockheed Martin." The notice period in paragraph (e) is changed to twenty (20) days. Adjustments made to this contract shall not be made unless or until the Contracting Officer make appropriate adjustments to Lockheed Martin's prime contract.)

**FAR 52.223-15 (DEC – 07) ENERGY EFFICIENCY IN ENERGY-CONSUMING PRODUCTS**

**FAR 52.227-1 ALT I (APR-84) AUTHORIZATION AND CONSENT.** (Applies if this contract exceeds \$25,000.)

**FAR 52.227-3 PATENT INDEMNITY (APR 1984) – ALTERNATE II (APR 1984)** (This patent indemnification shall apply to Commercial Items (as defined in FAR 2.101) included within the end item deliverable.)

**FAR 52.227-21 TECHNICAL DATA DECLARATION, REVISION, AND WITHHOLDING OF PAYMENT--MAJOR SYSTEMS. MAY-14** ("Contracting Officer" means "Lockheed Martin." "Government" means "Lockheed Martin" in paragraph (b)(2) and "Lockheed Martin or Government" in paragraph (d). Applicable to any subcontract which requires the delivery of technical data. Not applicable to Commercial Items as defined in FAR 2.101.)

**FAR 52.228-3 (JUL-14) WORKERS' 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 52.228-4 (APR-84) WORKERS' COMPENSATION AND WAR-HAZARD INSURANCE OVERSEAS.**

**FAR 52.229-8 (MAR-90) TAXES FOREIGN COST-REIMBURSEMENT CONTRACTS.** (In paragraph (b), "Contracting Officer" and "Government of the United States" mean "Lockheed Martin." The blank is completed with information specified elsewhere in the contract. Does not apply for Commercial Items as defined in FAR 2.101.)

**FAR 52.232-17 (OCT-10) INTEREST.** (Applies if this Contract contains FAR clauses which expressly refer to an Interest clause, e.g. fixed price incentive subcontracts containing [FAR 52.216-16](#) or [FAR 52.216-17](#). "Government" means "Lockheed Martin.")

**FAR 52.232-32 (APR-12) PERFORMANCE-BASED PAYMENTS.** (Applies if Seller is receiving Performance Based Payments. "Contracting Officer" and "Government" means "Lockheed Martin" except with respect to title for property where the references to the Government shall be unchanged. Subparagraph (c)(2) is deleted. Does not apply for Commercial Items as defined in FAR 2.101.)

**FAR 52.239-1 (AUG-96) PRIVACY OR SECURITY SAFEGUARDS.** (Does not apply for Commercial Items as defined in FAR 2.101.)

**FAR 52.232-39 (JUN-13) UNENFORCEABILITY OF UNAUTHORIZED OBLIGATIONS.** (Applicable to subcontracts where software or services will be retransferred to the Government.)

**FAR 52.234-4 (MAY-14) EARNED VALUE MANAGEMENT SYSTEM** (Applies to Cost or Incentive contracts valued at \$20,000,000 or more. "Government" means "Lockheed Martin and Government. Paragraphs (j) and (i) are deleted. Does not apply for Commercial Items as defined in FAR 2.101

**FAR 52.243-1 ALT V (APR-84) ALTERNATE V - CHANGES-FIXED-PRICE.** ("Contracting Officer" and "Government" mean "Lockheed Martin." In paragraph (a) add as subparagraph (4) "Delivery schedule." In paragraph (e) the reference to the disputes clause is deleted.)

**FAR 52.243-2 ALT I (APR-84) ALTERNATE I - 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 52.243-2 ALT II (APR-84) ALTERNATE II - 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 52.244-6 (MAR-15) SUBCONTRACTS FOR COMMERCIAL ITEMS**

**FAR 52.245-9 (APR-12) USE AND CHARGES.** (Communications with the Government under this clause will be made through Lockheed Martin.)

**FAR 52.246-1 (APR-84) CONTRACTOR INSPECTION REQUIREMENTS.** (Government" means "Lockheed Martin." Does not apply for Commercial Items as defined in FAR 2.101.)

**FAR 52.246-2 ALT I (JUL-85) ALTERNATE I - INSPECTION OF SUPPLIES FIXED-PRICE.** ("Government" means "Lockheed Martin and the Government" except in paragraphs (f), (j), and (l) where it means "Lockheed Martin." "Contracting Officer" means "Lockheed Martin." Does not apply for Commercial Items as defined in FAR 2.101.)

**FAR 52.246-8 (MAY-01) INSPECTION OF RESEARCH AND DEVELOPMENT COST-REIMBURSEMENT.** ("Government" means "Lockheed Martin" except (1) in paragraphs (b), (c) and (d) where it means "Lockheed Martin and the Government." and (2) in paragraph (k) where the term is unchanged. Does not apply for Commercial Items as defined in FAR 2.101.)

**FAR 52.247-64 ALT I (APR-03) ALTERNATE I - PREFERENCE FOR PRIVATELY OWNED U.S.-FLAG COMMERCIAL VESSELS.** (In the last sentence of paragraph (c) "Subcontractor" means "Seller and lower term subcontractor." "Contracting Officer" means "Lockheed Martin.")

**FAR 52.249-9 (APR-84) DEFAULT (FIXED-PRICE RESEARCH AND DEVELOPMENT).** ("Government" and "Contracting Officer" mean "Lockheed Martin" except in paragraph (c) where the term "Government" is unchanged. Does not apply for Commercial Items as defined in FAR 2.101.)

**DFARS 252.203-7004 (JAN-15) DISPLAY OF FRAUD HOTLINE POSTER(S)** (Contact the Lockheed Martin Authorized Procurement Representative for the identity of the location specified in subparagraph (b)(2) of the clause. Does not apply for Commercial Items as defined in FAR 2.101.)

**DFARS 252.204-7012 (NOV-13) SAFEGUARDING OF UNCLASSIFIED CONTROLLED TECHNICAL INFORMATION** (In paragraph (b)(1)(ii) "Contracting Officer" means "Lockheed

Martin." In paragraph (d)(5) "Contracting Officer" means "Lockheed Martin and the Contracting Officer." Copies of all reports made to the Government under this clause shall be provided to Lockheed Martin at the time such reports are submitted.)

**DFARS 252.209-7010 (AUG-11) CRITICAL SAFETY ITEMS** (The blanks in this clause are completed as follows: Critical Safety Items are identified elsewhere in this Contract. )

**DFARS 252.211-7005 (NOV-05) SUBSTITUTIONS FOR MILITARY OR FEDERAL SPECIFICATIONS AND STANDARDS.** (Applicable to subcontracts where subcontractor Single Process Initiative block changes have been approved for use.)

**DFARS 252.211-7006 (SEP-11) PASSIVE RADIO FREQUENCY IDENTIFICATION.** (Applicable to subcontracts where the subcontractor will make direct shipments meeting the criteria at FAR 211.275-2 to the Government of items covered by the clause)

**DFARS 252.211-7007 (AUG-12) REPORTING OF GOVERNMENT FURNISHED PROPERTY** (Applies if Seller will be in possession of Government property for the performance of this contract.)

**DFARS 252.211-7008 (SEP-10) USE OF GOVERNMENT-ASSIGNED SERIAL NUMBERS** (Applies if items are serially managed. )

**DFARS 252.217-7028 (DEC-91) OVER AND ABOVE WORK.** ("Administrative Contracting Officer," "Contracting Officer," and "Government" mean Lockheed Martin. Paragraph (f) is deleted. Applicable to subcontracts where over and above work may be required and no more specific arrangement for handling such work is specified in the subcontract. Does not apply for Commercial Items as defined in FAR 2.101.)

**DFARS 252.219-7004 (OCT-14) SMALL BUSINESS SUBCONTRACTING PLAN (TEST PROGRAM).** (Applicable to participants in the DoD Test Program for the Negotiation of Comprehensive Small Business Subcontracting Plans)

**DFARS 252.222-7007 (JAN-15) REPRESENTATION REGARDING COMBATING TRAFFICKING OF PERSONS**

**DFARS 252.225-7006 (OCT-2010) QUARTERLY REPORTING OF ACTUAL CONTRACT PERFORMANCE OUTSIDE OF THE UNITED STATES** (Applies if this contract exceeds \$550,000. Paragraph (f) is deleted.)

**DFARS 252.225-7013 DUTY-FREE ENTRY (OCT 2013)** (In paragraph (c), "Government" and "Contracting Officer" means "Lockheed Martin." The prime contract number and identity of the Contracting Officer are contained elsewhere in this contract. If this information is not available, contact Lockheed Martin's procurement representative.)

**DFARS 252.225-7015 (JUN-05) RESTRICTION ON ACQUISITION OF HAND OR MEASURING TOOLS.** (Applicable to subcontracts that requires the delivery of hand or measuring tools)

**DFARS 252.225-7027 (APR-03) RESTRICTION ON CONTINGENT FEES FOR FOREIGN MILITARY SALES.** (The reference to the clause in paragraph (a) means FAR 52.203-5. The blank in paragraph (b)(1) is completed with "any Government." Subparagraph (b)(2) is deleted.)

**DFARS 252.225-7028 (APR-03) EXCLUSIONARY POLICIES AND PRACTICES OF FOREIGN GOVERNMENTS.** (Does not apply for Commercial Items as defined in FAR 2.101.)

**DFARS 252.225-7030 RESTRICTION ON ACQUISITION OF CARBON, ALLOY, AND ARMOR STEEL PLATE (DEC 2006)** (Applies if this order is if for carbon, alloy, and armor steel plate in Federal supply class 9515, or described by American Society for Testing Materials (ASTM) or American Iron and Steel Institute (AISI) specifications. The clause is not applicable to commercial items defined under FAR 2.101.)

**DFARS 252.227-7038 ALT 1 (DEC-07) ALTERNATE I – PATENT RIGHTS OWNERSHIP BY THE CONTRACTOR** (Applies if this subcontract involves experimental, developmental, or research work.)

**DFARS 252.227-7038 ALT II (DEC-07) ALTERNATE I – PATENT RIGHTS OWNERSHIP BY THE CONTRACTOR** (Applies if this subcontract involves experimental, developmental, or research work.)

**DFARS 252.228-7001 (JUN-10) GROUND AND FLIGHT RISK.** (In paragraph (a)(1)(i) "this contract" means "the prime contract." The following is added at the beginning of the clause: "Communications between Seller and the Government shall be made through Lockheed Martin. Any equitable adjustment provided for this clause shall be implemented in this contract to the extent such adjustment is implemented in the prime contract." Subparagraphs (d)(2)(ii), (d)(3)(ii) and the last sentence of subparagraph (j)(2) are deleted. Does not apply for Commercial Items as defined in FAR 2.101.)

**DFARS 252.234-7002 (MAY-11) EARNED VALUE MANAGEMENT SYSTEM.** (Applies if this is a Cost or Incentive contract equal to or greater than \$20,000,000. "Government" means "Lockheed Martin and Government." Paragraphs (i) and (j) are deleted. Does not apply for Commercial Items as defined in FAR 2.101.)

**DFARS 252.234-7003 (NOV-14) NOTICE OF COST AND SOFTWARE DATA REPORTING SYSTEM** (Applies if contract value equal to or greater than \$20 million. In paragraph (b), "Government" means Lockheed Martin.)

**DFARS 252.234-7004 (NOV-10) COST AND SOFTWARE DATA REPORTING SYSTEM** (Applies if contract value is greater than \$50 million. In paragraph (b), "Government" means Lockheed Martin. Does not apply for Commercial Items as defined in FAR 2.101.)

**DFARS 252.234-7004 ALT I (NOV-10) ALTERNATE I - COST AND SOFTWARE DATA REPORTING SYSTEM** (Applies if contract value is greater than \$50 million.. In paragraph (b), "Government" means Lockheed Martin. Does not apply for Commercial Items as defined in FAR 2.101.)

**DFARS 252.239-7001 INFORMATION ASSURANCE CONTRACTOR TRAINING AND CERTIFICATION (JAN 2008)** ("Contractor" shall mean "SELLER" in this clause.)

**DFARS 252.239-7016 (DEC-91) TELECOMMUNICATIONS SECURITY EQUIPMENT, DEVICES, TECHNIQUES, AND SERVICES.** (Applies if this contract requires securing telecommunications. Does not apply for Commercial Items as defined in FAR 2.101.)

**DFARS 252.243-7002 (DEC-12) REQUESTS FOR EQUITABLE ADJUSTMENT.** ("Government" means "Lockheed Martin." Does not apply for Commercial Items as defined in FAR 2.101.)

**DFARS 252.244-7000 SUBCONTRACTS FOR COMMERCIAL ITEMS (JUN 2013)**

**DFARS 252.245-7001 (APR-12) TAGGING, LABELING, AND MARKING OF GOVERNMENT-FURNISHED PROPERTY.** (Applicable to subcontracts where the items furnished by the subcontractor will be subject to serialized tracking.)

**DFARS 252.245-7004 REPORTING, REUTILIZATION, AND DISPOSAL (MAY 2013)**  
("Contracting Officer" means Lockheed Martin.)

**DFARS 252.246-7000 (MAR-08) MATERIAL INSPECTION AND RECEIVING REPORT.**  
(Applies if this contract requires delivery of Items directly to the Government.)

**DFARS 252.246-7001 (MAR-14) WARRANTY OF DATA.** ("Government" means "Lockheed Martin or the Government." "Contracting Officer" means "Lockheed Martin." The last sentence in paragraph (b) is changed to read as follows: The warranty period shall extend for three years after completion of delivery of the data to Lockheed Martin, or if the data is delivered to the Government, either by Lockheed Martin or Seller, the warranty period shall extend for three years after delivery to the Government." Does not apply for Commercial Items as defined in FAR 2.101.)

**NAVAIR 5252.204-9501 (MAR-07) NATIONAL STOCK NUMBERS (NAVAIR)** (Applies to items that are stock numbered under Federal Catalog System procedures "Contracting Officer" means "Lockheed Martin.")

(a) This clause applies to supplies that are stock numbered under Federal Catalog System procedures.

(b) Unless otherwise authorized by the Contracting Officer, in writing, the Contractor shall not deliver any supplies until the supplies have been marked with a National Stock Number. All available National Stock Numbers will be furnished by the Government. If National Stock Numbers are not furnished by the Government in time to meet the delivery schedule for the supplies, the Contractor may present the supplies that are scheduled for delivery to the Contracting Officer for acceptance. The Contracting Officer may accept such supplies without National Stock Numbers and the Government will pay the Contractor therefore, provided that title to the supplies is vested in the Government.

(c) The term "Federal Stock Number" (FSN), which may be referred to in the specifications of this contract or elsewhere in this contract, shall mean "National Stock Number" (NSN), and the term "Federal Item Identification Number", wherever it appears, shall mean "National Item Identification Number".

(As used in the foregoing clause, the term "Contracting Officer" shall mean the "Administrative Contracting Officer" (ACO) with respect to provisioned items and other supplies ordered by the ACO.)

**NAVAIR 5252.211-9510 (MAY-11) CONTRACTOR EMPLOYEES (NAVAIR)** (Does not apply for Commercial Items as defined in FAR 2.101.)

(a) In all situations where contractor personnel status is not obvious, all contractor personnel are required to identify themselves to avoid creating an impression to the public, agency officials, or Congress that such contractor personnel are Government officials. This can occur during meeting attendance, through written (letter or email) correspondence or verbal discussions (in person or telephonic), when making presentations, or in other situations where their contractor status is not obvious to third parties. This list is not exhaustive. Therefore, the contractor employee(s) shall:

- (1) Not by word or deed give the impression or appearance of being a Government employee;
  - (2) Wear appropriate badges visible above the waist that identify them as contractor employees when in Government spaces, at a Government-sponsored event, or an event outside normal work spaces in support of the contract/order;
  - (3) Clearly identify themselves as contractor employees in telephone conversations and in all formal and informal written and electronic correspondence. Identification shall include the name of the company for whom they work;
  - (4) Identify themselves by name, their company name, if they are a subcontractor the name of the prime contractor their company is supporting, as well as the Government office they are supporting when participating in meetings, conferences, and other interactions in which all parties are not in daily contact with the individual contractor employee; and
  - (5) Be able to provide, when asked, the full number of the contract/order under which they are performing, and the name of the Contracting Officer's Representative.
- (b) If wearing a badge is a risk to safety and/or security, then an alternative means of identification maybe utilized if endorsed by the Contracting Officer's Representative and approved by the Contracting Officer.

(c) The Contracting Officer will make final determination of compliance with regulations with regard to proper identification of contractor employees.

**NAVAIR 5252.227-9501 Invention Disclosures and Reports (MAY 1998)**

- (a) In accordance with the requirements of the Patent Rights clause of this contract, the contractor shall submit "Report of Inventions and Subcontracts" (DD Form 882) along with written disclosure of inventions to the designated Contract Administrator.
- (b) The Contract Administrator will forward such reports and disclosures directly to the appropriate Patent Counsel, designated below, for review and recommendations, after which the reports will be returned to the Contract Administrator.

Patent Counsel  
Office of Counsel/AIR-11.0  
Building 2272/Suite 257  
NAVAIRSYSCOMHQ  
47123 Buse Road/ Unit Moffet  
Patuxent River, MD 20670-1547

- (c) The above designated Patent Counsel will represent the Procurement Contracting Officer with regard to invention reporting matters arising under this contract.
- (d) A copy of each report and disclosure shall be forwarded to the Procuring Contracting Officer.
- (e) The contractor shall furnish the Contracting Officer a final report within three (3) months after completion of the contracted work listing all subject inventions or certifying that there were no such inventions, and listing all subcontracts at any tier containing a patent rights clause or certifying that there were no such subcontracts.

**NAVAIR 5252.227-9507 (OCT-05) NOTICE REGARDING THE DISSEMINATION OF EXPORT-CONTROLLED TECHNICAL DATA (NAVAIR)**

- (a) Export of information contained herein, which includes release to foreign nationals within the United States, without first obtaining approval or license from the Department of State for items controlled by the International Traffic in Arms Regulations (ITARs), or the Department of Commerce for items controlled by the Export Administration Regulations (EAR), may constitute a violation of law.
- (b) For violation of export laws, the contractor, its employees, officials or agents are subject to:
  - (1) Imprisonment and/or imposition of criminal fines; and
  - (2) Suspension or debarment from future Government contracting actions.
- (c) The Government shall not be liable for any unauthorized use or release of export-controlled information, technical data or specifications in this contract.
- (d) The contractor shall include the provisions or paragraphs (a) through (c) above in any subcontracts awarded under this contract.

**NAVAIR 5252.228-9501 (MAR-99) LIABILITY INSURANCE (NAVAIR)** (Applies if Seller will be performing work on a Government installation. The blanks in the clause are completed as follows: a) \$200,000 and 500,000; b) \$200,000, \$500,000, \$500,000; c) \$100,000; d) \$200,000, \$500,000, \$200,000, \$200,000. Does not apply for Commercial Items as defined in FAR 2.101.)



The following types of insurance are required in accordance with the clauses entitled, "FAR 52.228-5, "Insurance--Work on a Government Installation"" and "52.228-7, "Insurance--Liability to Third Persons"" and shall be maintained in the minimum amounts shown:

(a) Comprehensive General Liability: \$200,000 per person and \$500,000 per accident for bodily injury.

(b) Automobile Insurance: \$200,000 per person and \$500,000 per accident for bodily injury and \$500,000 per accident for property damage.

(c) Standard Workman's Compensation and Employer's Liability Insurance (or, where maritime employment is involved, Longshoremen's and Harbor Worker's Compensation Insurance) in the minimum amount of \$100,000.

(d) Aircraft public and passenger liability: \$200,000 per person and \$500,000 per occurrence for bodily injury, other than passenger liability; \$200,000 per occurrence for property damage. Passenger bodily injury liability limits of \$200,000 per passenger, multiplied by the number of seats or number of passengers, whichever is greater.

**NAVAIR 5252.247-9508 (JUN-98) PROHIBITED PACKING MATERIALS (NAVAIR)** (Applies if Seller will make shipments under this contract directly to the Government. Does not apply for Commercial Items as defined in FAR 2.101.)

The use of asbestos, excelsior, newspaper or shredded paper (all types including waxed paper, computer paper and similar hygroscopic or non-neutral material) is prohibited. In addition, loose fill polystyrene is prohibited for shipboard use.

**NAVAIR 5252.247-9509 (JUL-98) PRESERVATION, PACKAGING, PACKING AND MARKING (NAVAIR)** (Applies if Seller will make shipments under this contract directly to the Government. In subparagraph (b), "Contract Number" means "Lockheed Martin's prime contract number and the number assigned to this contract.")

(a) Preservation, packaging and packing shall conform to prevailing industry standards for the type of commodity purchased under this contract.

(b) All packages will be clearly marked with applicable contract number/delivery order number, and will contain appropriate packing slip. All deliveries will be marked for and/or consigned as follows:

To Be Specified in individual purchase orders.

(c) In the event of any discrepancy in material shipped (overage, technical rejection, damage), the contractor shall, immediately upon request of the Contracting Officer, furnish disposition instructions. Normally, such disposition instruction shall be a properly completed Commercial Bill of Lading which includes, but is not limited to, the mode of shipment, routing, special handling, and so forth.

(d) If the contractor is required to install equipment upon delivery, then the contractor shall inform the Government of the date of shipment from the contractor's facilities and the anticipated date of arrival at the site. This report shall be made no later than the actual date that the shipment is made from the contractor's facilities. The report may be made by facsimile or e-mail, to the point of contact listed in Section G. All transportation, rigging, drayage, packing, unpacking, and handling necessary to accomplish the installation shall be the responsibility of the contractor.

**NAVAIR 5252.247-9510 (OCT-05) PRESERVATION, PACKAGING, PACKING AND MARKING FOR FOREIGN MILITARY SALES (FMS) REQUIREMENTS (NAVAIR)** (Applies if Seller will make shipments under this contract directly to the Government.)

(a) Unless specified elsewhere in the contract, packing and packaging shall comply with MIL-STD-129. Packing and packaging materials shall provide protection from abuse during handling and from environmental, magnetic, and electrical damage during handling and subsequent future storage, possibly under less than desirable conditions.

(b) Marking: All unit and exterior containers/packs shall as a minimum be marked as follows:

- (1) FMS Case Number.
- (2) Part Number (with CAGE Code).
- (3) For - the organization/address the material is shipped to.
- (4) The applicable MILSTRIP number (identified separately for each line item of the contract/delivery order)
- (5) Project Code number.
- (6) Project Directive Line Item (PDLI) Number.
- (7) Requisition Serial Number (RSN).
- (8) Quantity.
- (9) From - the contractor's address shipped from.
- (10) Ship to - the shipping address provided in the contract.
- (11) Transportation Priority
- (12) Required Delivery Date

(c) The contractor shall affix labels to the outside of each external pack warning all handlers that fragile, delicate, etc., equipment is contained within and to warn against particular improper handling and storage procedures/conditions as may be applicable to the item(s) ordered.

**PART III. The following Special Contract Requirements (H clauses) are added:**

**H-7 PRESERVATION OF RIGHTS FOR TECHNICAL DATA, COMPUTER SOFTWARE, AND COMPUTER SOFTWARE DOCUMENTATION ACCESSED, DELIVERED, OR PROVIDED ELECTRONICALLY**

Information, whether delivered pursuant to the Supplier Data Requirements List (SDRL) or provided in response to any other requirement contained in this contract, which would be deemed “technical data” under DFARS 252.227.7013, Rights in Technical Data–Noncommercial Items ( FEB 2014), or “computer software” and “computer software documentation” under DFARS 252.227-7014, Rights in Noncommercial Computer Software and Noncommercial Computer Software Documentation ( FEB 2014), if it were delivered in written form, shall not lose its status as technical data, computer software, or computer software documentation solely because access by the Government or LOCKHEED MARTIN, delivery by the SELLER, or provision by the SELLER is by electronic means. The rights of the parties shall be as specified in DFARS 252.227-7013 and DFARS 252.227-7014.

**H-8 TECHNICAL DATA AND COMPUTER SOFTWARE IDENTIFICATION IN ENGINEERING CHANGE PROPOSALS (ECPs) (NAVAIR 5252.227-9505) (AUG 1987) (VARIATION)**

Each Engineering Change Proposal (ECP) submitted by the SELLER shall identify each item of technical data and computer software delivered by the SELLER under any prior Government contract required to be revised as a result of the proposed change and shall include an estimated price and cost proposal to furnish the revisions.

**H-10 DISCLOSURE OF INFORMATION (NAVAIR) (JAN 2007) (VARIATION)**

(a) The SELLER shall not release to anyone outside the SELLER’s organization any information (e.g., announcement of contact award), regardless of medium (e.g., film, tape, document), pertaining to any part of this contract or any effort directly related to the F-35 Lightning II Joint Strike Fighter (JSF) Program unless—

- (1) The F-35 Joint Program Office (JPO) has given prior written approval through LOCKHEED MARTIN;
- (2) The information is otherwise in the public domain before the date of release;  
or
- (3) The information is being released to associate contractors, subcontractors, suppliers, or vendors who require the information for execution of work under an F-35 Lightning II JSF contract.

(b) Requests for approval shall identify the specific information to be released, the medium to be used, and the purpose for the release. “Information” includes, but is not limited to, news releases, articles, manuscripts, brochures, advertisements, still and motion pictures, speeches, trade association meetings, symposia, and professional papers to be published. The SELLER

shall submit the original and 1 copy of the information proposed for release to the JSFPO, through LOCKHEED MARTIN.

Where practicable, requests and the specific information may be provided to the Public Affairs Officer through LOCKHEED MARTIN using an electronic medium appropriate for the security level of the information being transmitted. The SELLER shall submit its request to the Public Affairs Officer at least 15 working days before the proposed date for release.

(c) The SELLER shall include a statement indicating the project or effort depicted was or is sponsored by:

F-35 Joint Program Office  
Arlington, VA 22202

(d) The SELLER agrees to include a similar requirement in each subcontract or purchase order under this contract. Subcontractors, suppliers, and vendors shall submit requests for authorization to release through the prime contractor to the Public Affairs Officer, through LOCKHEED MARTIN.

**H-12 DISCLOSURE, USE AND PROTECTION OF PROPRIETARY INFORMATION (NAVAIR 5252.227-9511) (FEB 2009) (VARIATION)** (Applicable if subcontractor proprietary information will be accessed by government support contractors)

(a) During the performance of this contract, the Government may use an independent services contractor (ISC), who is neither an agent nor employee of the Government. The ISC may be used to conduct reviews, evaluations, or independent verification and validations of technical documents submitted to the Government during performance.

(b) The use of an ISC is solely for the convenience of the Government. Except as otherwise provided by separate agreement between the ISC and SELLER, the ISC has no obligation to SELLER. SELLER is required to provide full cooperation, reasonable working facilities and access to the ISC for the purposes stated in paragraph (a) above.

(c) Since the ISC is neither an employee nor agent of the Government, any findings, recommendations, analyses, or conclusions of such a contractor are not those of the Government.

(d) The SELLER acknowledges that the Government has the right to use ISCs as stated in paragraph (a) above. It is possible that under such an arrangement the ISC may require access to or the use of information, which is proprietary to the prime contractor in addition to third party proprietary data that the prime contractor is authorized to disclose.

(e) To protect any such proprietary information from unauthorized disclosure or use, and to establish the respective rights and duties of both the ISC and prime contractor, the SELLER agrees to enter into a direct agreement with any ISC as the Government requires. The ISC will be responsible for initiating contact with the SELLER sufficiently in advance of any work that may require facility access, cooperation from SELLER, or access to proprietary information belonging to the SELLER or to third parties who may have authorized the SELLER to disclose such data to enable the SELLER to arrange for

such access and cooperation and to obtain the necessary agreements. A properly executed copy of the agreement will be provided to the Procuring Contracting Officer, through LOCKHEED MARTIN.

**H-13 REIMBURSEMENT OF TRAVEL, PER DIEM, AND SPECIAL MATERIAL COSTS (NAVAIR 5252.232-9509) (MAY 2012) (VARIATION) (APPLICABLE TO COST-REIMBURSEMENT CONTRACTS ONLY)**

(a) Area of Travel. Performance under this contract may require travel by SELLER personnel. If travel, domestic or overseas, is required, the SELLER is responsible for making all necessary arrangements for its personnel. These include but are not limited to: medical examinations, immunizations, passports/visas/etc., and security clearances. All SELLER personnel required to perform work on any U.S. Navy vessel shall obtain boarding authorization from the Commanding Officer of the vessel before boarding.

(b) Travel Policy. The Government, through LOCKHEED MARTIN, will reimburse the SELLER for allowable travel costs incurred by the SELLER in performance of the contract in accordance with FAR Subpart 31.2.

Consistent with FAR Subpart 31.2, all costs incurred for lodging, meals and incidental expenses required for tasks assigned under this contract shall be considered reasonable and allowable only to the extent that they do not exceed on a daily basis the maximum per diem rates in effect at the time of travel as set forth in the Federal Travel Regulations, prescribed by the General Services Administration for travel in the conterminous 48 United States, (hereinafter the FTR); Joint Travel Regulation, Volume 2, DoD Civilian Personnel, Appendix A, prescribed by the Department of Defense, for travel in Alaska, Hawaii, The Commonwealth of Puerto Rico, and territories and possessions of the United States (hereinafter JTR); and Standardized Regulations (Government Civilians, Foreign Areas), Section 925, "Maximum Travel Per Diem Allowances for Foreign Areas," prescribed by the Department of State, for travel in areas not covered in the FTR or JTR (hereinafter the SR).

(c) Travel. Travel and subsistence are authorized for travel beyond a fifty-mile radius of the SELLER's office whenever a task assignment requires work to be accomplished at a temporary alternate worksite. No travel or subsistence shall be charged for work performed within a fifty-mile radius of the contractor's office. The SELLER shall not be paid for travel or subsistence for SELLER personnel who reside in the metropolitan area in which the tasks are being performed. Travel performed for personal convenience, in conjunction with personal recreation, or daily travel to and from work at the SELLER's facility will not be reimbursed.

(1) For travel costs other than described in paragraph (c) above, the SELLER shall be paid on the basis of actual amount paid to the extent that such travel is necessary for the performance of services under the contract and is authorized by the COR, through LOCKHEED MARTIN, in writing.

(2) When transportation by privately owned conveyance is authorized, the SELLER shall be paid on a mileage basis not to exceed the applicable Government transportation rate as contained in the FTR, JTR or SR. Authorization for the use of privately owned conveyance shall be indicated in the basic contract. Distances traveled between points shall be documented in the contractor's records as listed in

standard highway mileage guides. Reimbursement will not exceed the mileage shown in the standard highway mileage guides.

(3) The SELLER agrees, in the performance of necessary travel, to use the lowest cost mode commensurate with the requirements of the mission as set forth in the basic contract and in accordance with good traffic management principles. When it is necessary to use air or rail travel, the SELLER agrees to use coach, tourist class, or similar accommodations to the extent consistent with the successful and economical accomplishment of the mission for which the travel is being performed.

(4) The SELLER shall retain receipts or other evidence substantiating actual costs incurred for authorized travel as required by FAR Subpart 4.7, Contractor Records Retention, and FAR 52.215-2, Audit and Records – Negotiation (OCT 2010). In no event will such payments exceed the rates of common carriers.

(d) Vehicle and/or Truck Rentals. The SELLER shall be reimbursed for actual rental/lease of special vehicles and/or trucks (i.e., of a type not normally used by the SELLER in the conduct of its business) only if authorized in the basic contract or upon approval by the COR. Reimbursement of such rental shall be made based on actual amounts paid by the contractor. Use of rental/lease costs of vehicles and/or trucks that are of a type normally used by the SELLER in the conduct of its business are not subject to reimbursement.

(e) Car Rental. The SELLER shall be reimbursed for car rental, exclusive of mileage charges, as authorized in the basic contract or upon approval by the COR, through LOCKHEED MARTIN, when the services are required to be performed beyond the normal commuting distance from the SELLER's facilities. Car rental for a team on TDY at one site will be allowed for a minimum of four (4) persons per car, provided that such number or greater comprise the TDY team.

(f) Per Diem. The SELLER shall not be paid for per diem for SELLER personnel who reside in the metropolitan areas in which the tasks are being performed. Per Diem shall not be paid on services performed within a fifty-mile radius of the SELLER's home office or the contractor's local office. Per Diem is authorized for SELLER personnel beyond a fifty-mile radius of the contractor's home or local offices whenever a task assigned requires work to be done at a temporary alternate worksite. Per Diem shall be paid to the SELLER only to the extent that overnight stay is necessary and authorized under this contract. The authorized per diem rate shall be the same as the prevailing per diem in the worksite locality. These rates will be based on rates contained in the FTR, JTR or SR. The applicable rate is authorized at a flat seventy-five (75%) percent on the day of departure from contractor's home or local office, and on the day of return. Reimbursement to the SELLER for per diem shall be limited to actual payments to per diem defined herein. The SELLER shall provide actual payments of per diem defined herein. The SELLER shall provide supporting documentation for per diem expenses as evidence of actual payment.

(g) Shipboard Stays. Whenever work assignments require temporary duty aboard a Government ship, the SELLER will be reimbursed at the per diem rates identified in paragraph C8101.2C or C81181.3B(6) of the Department of Defense Joint Travel Regulations, Volume II.

(h) Special Material. "Special material" includes only the costs of material, supplies, or services which is peculiar to the ordered data and which is not suitable for use in the course of the contractor's normal business. It shall be furnished pursuant to specific authorization approved by the COR, through LOCKHEED MARTIN. The SELLER will be required to support all material costs claimed by its costs less any applicable discounts. "Special materials" include, but are not limited to, graphic reproduction expenses, or technical illustrative or design requirements needing special processing.

#### **H-14 INVESTMENT**

Any decision by SELLER at, or prior to, the date of award of this Contract or at or prior to the date of execution of any modification to this Contract to (i) incur costs, by reason of investment or otherwise, that are not expressly included in writing in the SELLER's bid, offer, or proposal to LOCKHEED MARTIN, agreed to by LOCKHEED MARTIN, and incorporated into this Contract's price, (ii) forego profit on costs, or (iii) apply a management decrement, is made at the sole risk of SELLER. SELLER acknowledges that the price of this Contract shall not be increased by any portion of incurred costs, foregone profit, or management decrement, for any reason, including, but not limited to, a termination for convenience of this Contract, notwithstanding any provisions of this Contract or applicable regulations governing termination for convenience settlements of purchase orders under United States Government prime contracts, unless LOCKHEED MARTIN expressly agrees in writing to pay such portion. LOCKHEED MARTIN, as set forth in the clause of this Contract entitled "Termination for Convenience (Fixed Price)," or "Termination (Cost Reimbursement)" may terminate this Contract for any reason if LOCKHEED MARTIN determines that it is in the LOCKHEED MARTIN's interest to do so. The term "any reason" includes, but is not limited to, termination of the LOCKHEED MARTIN's prime contract with the U.S. Government on any basis, convenience or default. A termination for default of this Contract is justified at any time where the circumstances provided in the clause of this Contract entitled "Default" apply.

**Revision 4, Dated 2 JUNE 2016, the following clauses were modified to include the full text of the clause:**

**NAVAIR 5252.204-9501 (MAR-07) NATIONAL STOCK NUMBERS (NAVAIR)**

**NAVAIR 5252.211-9510 (MAY-11) CONTRACTOR EMPLOYEES (NAVAIR) (Does not apply for Commercial Items as defined in FAR 2.101.)**

**NAVAIR 5252.227-9501 INVENTION DISCLOSURES AND REPORTS (MAY 1998)**

**NAVAIR 5252.227-9507 (OCT-05) NOTICE REGARDING THE DISSEMINATION OF EXPORT-CONTROLLED TECHNICAL DATA (NAVAIR)**

**NAVAIR 5252.228-9501 (MAR-99) LIABILITY INSURANCE (NAVAIR)**

**NAVAIR 5252.247-9508 (JUN-98) PROHIBITED PACKING MATERIALS (NAVAIR)**

**NAVAIR 5252.247-9509 (JUL-98) PRESERVATION, PACKAGING, PACKING AND MARKING (NAVAIR)**

**NAVAIR 5252.247-9510 (OCT-05) PRESERVATION, PACKAGING, PACKING AND MARKING FOR FOREIGN MILITARY SALES (FMS) REQUIREMENTS (NAVAIR)**

**Added the following clauses:**

**DFARS 252.225-7006 (OCT-2010) Quarterly Reporting of Actual Contract Performance Outside of the United States**

**FAR 52.222-42 STATEMENT OF EQUIVALENT RATES FOR FEDERAL HIRES (MAY 1989)**

**FAR 52.222-44 FAIR LABOR STANDARDS ACT AND SERVICE CONTRACT ACT – PRICE ADJUSTMENT (SEP 2009)**

**FAR 52.227-3 PATENT INDEMNITY (APR 1984) – ALTERNATE II (APR 1984)**

**DFARS 252.225-7013 DUTY-FREE ENTRY (OCT 2013)**

**DFARS 252.225-7030 RESTRICTION ON ACQUISITION OF CARBON, ALLOY, AND ARMOR STEEL PLATE (DEC 2006)**

**DFARS 252.239-7001 INFORMATION ASSURANCE CONTRACTOR TRAINING AND CERTIFICATION (JAN 2008)**

**DFARS 252.244-7000 SUBCONTRACTS FOR COMMERCIAL ITEMS (JUN 2013)**

**DFARS 252.245-7004 REPORTING, REUTILIZATION, AND DISPOSAL (MAY 2013)**

**H-13 REIMBURSEMENT OF TRAVEL, PER DIEM, AND SPECIAL MATERIAL COSTS (NAVAIR 5252.232-9509) (MAY 2012)**

**H-14 INVESTMENT**

**Revision 5 dated 4 AUG 2016 issued to add:**

**FAR 52.227-21 TECHNICAL DATA DECLARATION, REVISION, AND WITHHOLDING OF PAYMENT--MAJOR SYSTEMS. MAY-14**