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.¹

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:

¹ This revision contains provisions in the LRIP 10 Non-Annualized Sustainment finalized Request for Proposal issued by the U.S. Government’s F-35 Joint Strike Fighter Program Office (JSFPO) and are subject to modification once definitized prime contract terms and conditions between Lockheed Martin Aeronautics Co. and the JSFPO have been executed.
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:

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:

DFARS 252.203-7002 (SEP 2013) Requirement to Inform Employees of Whistleblower Rights

DFARS 252.203-7004 (JAN 2015) Display of Hotline Posters (Contact the Lockheed Martin Authorized Procurement Representative for the identity of the location specified in subparagraph (b)(2) of the clause.)

DFARS 252.211-7005 (NOV 2005) Substitutions for Military or Federal Specifications and Standards

DFARS 252.211-7006 (SEP 2011) Passive Radio Frequency Identification

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.)

DFARS 252.211-7008 (SEP 2010) Use of Government-Assigned Serial Numbers

DFARS 252.219-7004 (OCT 2014) Small business subcontracting plan (test program)

DFARS 252.228-7001 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.

DFARS 252.232-7012 (MAR 2014) Performance Based Payments Whole Contract Basis (Applies if Seller is receiving Performance Based Payments)

DFARS 252.234-7002 (MAY 2011) Earned Value Management System ("Government" means "Lockheed Martin and Government." Paragraphs (i) and (j) are deleted. The blanks in k(1) and k(2) are completed as follows (1): LM MST, NGC, (2): BAE Systems, LM FTO, LM MST-Owego.)

DFARS 252.234-7004 ALT I (NOV 2014) Alternate I - 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 252.245-7001 (APR 2012) Tagging, Labeling, and Marking of Government-Furnished Property (Applies where items will be subject to serialized tracking.)

DFARS 252.245-7004 (MAR 2015) Reporting, Reutilization, and Disposal (Contracting Officer" means Lockheed Martin.)

DFARS 252.246-7000 (MAR 2008) Material Inspection and Receiving Report (Applies if this contract requires delivery of Items directly to the Government.)

FAR 52.203-8 (MAY 2014) Cancellation, Rescission, and Recovery of Funds for Illegal or Improper Activity

FAR 52.204-14 (JAN 2014) Service Contract Reporting Requirements (Applies if this Contract exceeds the thresholds in FAR 4.1703 except does not apply if the prime contract is funded by the Department of Defense. "Contractor" means "Lockheed Martin." The reports referred to in paragraph (f)(1) shall be furnished by Seller to Lockheed Martin by October 8 of each year. In paragraph (f)(2) the words "The Contractor shall advise the subcontractor" are changed to "Lockheed Martin advises Seller").

FAR 52.211-5 (AUG 2000) Material Requirements ("Contracting Officer" means "Lockheed Martin.")

FAR 52.215-23 ALT I (OCT 2009) Alternate I - Limitations on Pass-Through Charges (Applies if this is a cost-reimbursement subcontract in excess of $150,000, except if the prime contract to which this contract relates is with DoD, then the clause applies to both cost-reimbursement subcontracts and fixed-price subcontracts, except those identified in 15.408(n)(2)(i)(B)(2), that exceed the threshold for obtaining cost or pricing data in accordance with FAR 15.403-4.)

FAR 52.222-17 (MAY 2014) Nondisplacement of Qualified Workers (Applies if this Contract is for services in excess of $150,000. Does not apply to Commercial Items as defined in FAR 2.101.)

FAR 52.228-3 (Jul 2014) 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 1984) Workers' Compensation and War-Hazard Insurance Overseas

FAR 52.229-8 (MAR 1990) Taxes Foreign Cost-Reimbursement Contracts (In paragraph (b), "Contracting Officer" and "Government of the United States" mean "Lockheed Martin." The blank is completed with <tbd>. Does not apply to Commercial Items as defined in FAR 2.101.)

FAR 52.232-16 (APR 2012) Progress Payments (Applies if Seller is receiving Progress Payments "Contracting Officer" means "Lockheed Martin" except in paragraph (g) where it means "Lockheed Martin or Contracting Officer." "Government" means "Lockheed Martin" except: (1) in paragraphs (d),
(e) and (j)(5) where the term is unchanged and (2) in paragraphs (g) and (i) where it means "Lockheed Martin and the Government."

FAR 52.232-32 (APR 2012) 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)

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

FAR 52.232-39 (JUN 2013) Unenforceability of Unauthorized Obligations

FAR 52.243-2 ALT II (APR 1984) Alternate II - Changes-Cost-Reimbursement. (Applies if this Contract is a cost reimbursable. "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 52.245-9 (APR 2012) Use and Charges (Communications with the Government under this clause will be made through Lockheed Martin.)

FAR 52.246-11 (DEC 2014) Higher-Level Contract Quality Requirement

FAR 52.246-15 (APR 1984) Certificate of Conformance (Applies if Seller will make shipments under this contract directly to the Government.)

FAR 52.246-2 ALT I (JUL 1985) 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.")

FAR 52.247-64 ALT I (APR 2003) 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 52.247-68 (FEB 2006) Report of Shipment (REPSHIP) (Applies if Seller will make shipments under this contract directly to the Government.)

NAVAIR 5252.247-9508 (JUN 1998) PROHIBITED PACKING MATERIALS (NAVAIR) (JUN 1998) (Applies if Seller will make shipments under this contract directly to the Government.)

The use of asbestos, excelsior, newspaper or shredded paper (all types including waxed paper, computer paper and similar hydroscopic or non-neutral material) is prohibited. In addition, loose fill polystyrene is prohibited for shipboard use.
NAVAIR 5252.247-9509 (JUL 1998) PRESERVATION, PACKAGING, PACKING AND MARKING (NAVAIR) (JUL 1998) (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:

[Insert specific instructions]

(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 2005) PRESERVATION, PACKAGING, PACKING AND MARKING FOR FOREIGN MILITARY SALES (FMS) REQUIREMENTS (NAVAIR) (OCT 2005) (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 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:

H-1 DISCLOSURE OF CONTRACT INFORMATION (NAVAIR 5252.204-9504) (JAN 2007) (DEVIATION)

(a) The Contractor shall not release to anyone outside the Contractor's organization any information (e.g., announcement of contract 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;

(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.

The Contractor shall provide notification to the JSFPO by submitting the original and 1 copy of the information proposed for release to the JSFPO at the following address:

Joint Strike Fighter Program Office
Attn: Public Affairs Officer
Where practicable, requests and the specific information may be provided to the Public Affairs Officer using an electronic medium appropriate for the security level of the information being transmitted. The Contractor shall submit its request to the Public Affairs Officer at least 15 working days before the proposed date for release.
(c) The Contractor 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 Contractor 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.

H-6 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 2012), or “computer software” and “computer software documentation” under DFARS 252.227-7014, Rights in Noncommercial Computer Software and Noncommercial Computer Software Documentation (FEB 2012), 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, delivery by the Contractor, or provision by the Contractor is by electronic means. The rights of the parties shall be as specified in DFARS 252.227-7013 and DFARS 252.227-7014.

H-11 DISCLOSURE, USE AND PROTECTION OF PROPRIETARY INFORMATION (NAVAIR 5252.227-9511) (FEB 2009)

(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. The ISC has no obligation to the prime contractor. The prime contractor is required to provide full cooperation, 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 prime contractor 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 (other than restricted cost or pricing data), which is proprietary to the prime contractor.

(e) To protect any such proprietary information from disclosure or use, and to establish the respective rights and duties of both the ISC and prime contractor, the prime contractor agrees to enter into a direct agreement with any ISC as the Government requires. A properly executed copy (per FAR 9.505-4) of the agreement will be provided to the Procuring Contracting Officer.

H-14 5252.211-9510 CONTRACTOR EMPLOYEES (NAVAIR) (MAY 2011)

(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.

H-16 5252.227-9507 NOTICE REGARDING THE DISSEMINATION OF EXPORT-CONTROLLED TECHNICAL DATA (NAVAIR) (OCT 2005)

(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.