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

- FAR 52.222-41 Service Contract Act of 1965 (NOV 2007)
- FAR 52.243-6 Change Order Accounting (APR 1984)
- FAR 52.225-5 Trade Agreements (NOV 2013)
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:


DFARS 252.211-7007 Reporting of Government-Furnished Property (AUG 2012) (Applies if Seller will be in possession of Government property for the performance of this contract.)

DFARS 252.211-7008 Use of Government-Assigned Serial Numbers (SEP 2010) (Applies if Seller will be in possession of Government property for the performance of this contract if Lockheed Martin does not assume the responsibility for marking the property.)

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

DFARS 252.223-7006 Prohibition on Storage and Disposal of Toxic and Hazardous Materials (SEP 2014) ("Government" means "Lockheed Martin and Government.")

DFARS 252.225-7027 Restriction on Contingent Fees for Foreign Military Sales (APR 2003) (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 252.227-7017 Identification and Assertion of Use, Release, or Disclosure Restrictions (JAN 2011) ("Offeror" means "Seller." Contracting Officer" means "Lockheed Martin or Contracting Officer." In paragraphs (a) and (b) the references to the SBIR data rights clause are deleted.)

DFARS 252.227-7038 ALT I - Alternate I - Patent Rights-Ownership by the Contractor (Large Business) (DEC 2007) (Applies if this subcontract involves experimental, developmental, or research work.)

DFARS 252.228-7001 Ground and Flight Risk (JUN 2010) (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 252.229-7006 Value Added Tax Exclusion (United Kingdom) (DEC 2011) (Applies if Seller is a United Kingdom firm. "This contract" means "the prime contract.")
DFARS 252.234-7002 Earned Value Management System (MAY 2011) ("Government" means "Lockheed Martin and Government." Paragraphs (i) and (j) are deleted.)(k)(1) Northrop Grumman (Center Fuselage) and BAE Systems (Aft/Empennage),(k)(2) LM MST (Orlando)

DFARS 252.234-7004 ALT I Alternate I - Cost and Software Data Reporting System (NOV 2014) Alternate I. (In paragraph (b), "Government" means Lockheed Martin.)

DFARS 252.239-7000 Protection Against Compromising Emanations (JUN 2004) ("Contracting Officer" means "Lockheed Martin." "Government" means "Lockheed Martin and the Government" in paragraphs (c) and (d). Applies if Seller will be performing classified work.)

DFARS 252.239-7001 Information Assurance Contractor Training and Certification (JAN 2008) (Applies if Seller will be accessing DoD information systems that will require Information Assurance Contractor Training and Certification.)

DFARS 252.239-7016 Telecommunications Security Equipment, Devices, Techniques, and Services (DEC 1991) (Applies if this contract requires securing telecommunications.)

DFARS 252.243-7002 Requests for Equitable Adjustment (DEC 2012) ("Government" means "Lockheed Martin." Applies if subcontract is over $150,000.)

DFARS 252.245-7004 Reporting, Reutilization, and Disposal (MAY 2013) ("Contracting Officer" means Lockheed Martin.)

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

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

FAR 52.203-10 Price or Fee Adjustment for Illegal or Improper Activity (MAY 2014)

FAR 52.215-23 ALT I – Limitations on Pass – Through Charges (OCT 2009) (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 52.223-3 ALT I Alternate I - Hazardous Material Identification and Material Safety Data (JUL 1995) (Applies if this contract involves hazardous materials. "Contracting Officer" means "Lockheed Martin;" "Government" means "Lockheed Martin and the Government.")

FAR 52.223-16 Acquisition of EPEAT-Registered Personal Computer Products Alternate I (JUN 2014)

FAR 52.227-3 Patent Indemnity (APR 1984)

FAR 52.227-3 ALT II Alternate II - Patent Indemnity (APR 1984) (c) Commercial items (as defined in FAR 2.101) included within the end item deliverables.
FAR 52.228-3 Workers' Compensation Insurance (Defense Base Act) (JUL 2014) (Applies if Seller will perform work subject to the Defense Base Act 42 U.S.C. 1651 et seq.)

FAR 52.228-4 Workers' Compensation and War-Hazard Insurance Overseas (APR 1984)

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

FAR 52.232-17 Interest (MAY 2014) ("Government" means "Lockheed Martin.")

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

FAR 52.232-40 Providing Accelerated Payments to Small Business Subcontractors (DEC 2013) (Applies if Seller is a small business concern. "Government" means "Lockheed Martin." This clause does not apply if Lockheed Martin does not receive accelerated payments under the prime contract. Not all agencies provide accelerated payments.)

FAR 52.237-8 Restriction on Severance Payments to Foreign Nationals (AUG 2003)

FAR 52.245-9 Use and Charges (APR 2012) (Communications with the Government under this clause will be made through Lockheed Martin.)

FAR 52.246-2 ALT I – Inspection of Supplies Fixed-Price (JUL 1985) ("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 52.246-11 Higher-Level Contract Quality Requirement (DEC 2014) The blank in paragraph A is completed as follows: AS9100C/EN9100 as geographically appropriate

FAR 52.246-15 Certificate of Conformance (APR 1984) (Applies if Seller will make direct shipment to the Government.)

FAR 52.247-64 ALT I - Alternate I - Preference for Privately Owned U.S.-Flag Commercial Vessels (APR 2003) (In the last sentence of paragraph (c) "Subcontractor" means "Seller and lower term subcontractor." "Contracting Officer" means "Lockheed Martin.")

FAR 52.247-68 Report of Shipment (REPSHIP) (FEB 2006)

NAVAIR 5252.204-9501 National Stock Numbers (NAVAIR) (MAR 2007) ("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 5252.204-9504 Disclosure of Contract Information (NAVAIR) (JAN 2007)**

(Communications with the Contracting Officer shall be made through Lockheed Martin. In paragraph (b), 10 days is changed to 20 days.)

(a) The Contractor shall not release to anyone outside the Contractor's organization any unclassified information (e.g., announcement of contract award), regardless of medium (e.g., film, tape, document), pertaining to any part of this contract or any program related to this contract, unless the Contracting Officer has given prior written approval.

(b) Requests for approval shall identify the specific information to be released, the medium to be used, and the purpose for the release. The Contractor shall submit its request to the Contracting Officer at least ten (10) days before the proposed date for release.

(c) The Contractor agrees to include a similar requirement in each subcontract under this contract. Subcontractors shall submit requests for authorization to release through the prime contractor to the Contracting Officer.

**NAVAIR 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.

**NAVAIR 5252.227-9501 Invention Disclosures and Reports (NAVAIR) (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.

Mark Kelly, AIR-11.0P  
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 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.

NAVAIR 5252.227-9511 Disclosure, Use and Protection of Proprietary Information (NAVAIR) (FEB 2009) (The term "prime contractor" means "Seller.")

(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 an 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.

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:
In accordance with paragraph (c) of DFARS 252.223-7008, "Prohibition of Hexavalent Chromium" (JUN 2013) and paragraph (a) of DFARS 223.7304, the Government has considered the factors contained in paragraph (a) of DFARS 223.7305 and has determined that alternatives to Hexavalent Chromium are either not available or in the Government's interest for the applications listed below in Table H-9a, "Hexavalent Chromium Applications Used in the Manufacture of the F-35 Air System." Therefore, items using the applications listed below in Table H-9a may be delivered by the Contractor and accepted by the Government even though they contain Hexavalent Chromium in a concentration greater than 0.1 percent by weight in any homogenous material or require the removal or reapplication of Hexavalent Chromium materials during subsequent sustainment phases of the deliverable or construction material. DFARS 252.223-7008, "Prohibition of Hexavalent Chromium" (JUN 2013) applies to all other items delivered under this contract.

Table H-9a:

Hexavalent Chromium Applications Used in the Manufacture of the F-35 Air System

"Fuel tank coating to AMS-C-27725 Type 2"

"Sealant to LMA-MU065"

"Sealant primer to LMA-MR058 Form 1"

"Adhesive bonding primer to LMA-MD007 Type 2 or 2ZZ00002 Type 2"

"General structural primer to MIL-PRF-23377"

"Non-Curing Corrosion Resistant Sealing Compound"

H-10 Financing Payments to Subcontractors

The contractor shall flow down the requirements of DFARS 252.232-7012, PERFORMANCE-BASED PAYMENTS-WHOLE-CONTRACT BASIS (MAR 2014), or DFARS 252.232-7013, PERFORMANCE-BASED PAYMENTS-DELIVERABLE-ITEM BASIS (APR 2014), as applicable, to all subcontractors receiving performance-based payments financing under this contract. This requirement is in addition to the requirements contained in applicable financing clauses of this contract, including FAR 52.232-16, PROGRESS PAYMENTS (APR 2012), and FAR 52.232-32, PERFORMANCE BASED PAYMENTS (APR 2012).

FAR 52.232-16 Progress Payments (APR 2012) (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 Performance-Based Payments (Apr 2012)
(Applicable to the SELLER only if under the contract LOCKHEED MARTIN will be making financing payments to the SELLER in the form of performance based payments and a Performance-Based Payment schedule is incorporated into this Contract. "Contracting Officer" and "Government" shall mean "Lockheed Martin" except with respect to title for property where the references to the Government shall be unchanged. Subparagraph (c)(2) of the clause is deleted.)

(Applicable to the SELLER only if under the contract LOCKHEED MARTIN will be making financing payments to the SELLER in the form of performance based payments and a Performance-Based Payment schedule is incorporated into this Contract.)