



**LOCKHEED MARTIN CORPORATION**

**PRIME SUPPLEMENTAL FLOWDOWN DOCUMENT (PSFD)**

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

*F-35 FoM Phase 2.1 C2D2 N00019-18-C-1004*

**For use with the 2017 version of Lockheed Martin CorpDocs**

*Original - 25 January 2018*

*Revision 1 – 28 October 2020*

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:

**FAR 52.244-6 SUBCONTRACTS FOR COMMERCIAL ITEMS (JAN 2017)**

**FAR 52.245-1 GOVERNMENT PROPERTY (JAN 2017)** ("Contracting Officer" means "Lockheed Martin" except in the definition of Property Administrator and in paragraphs (h)(1)(iii) where it is unchanged, and in paragraphs (c) and (h)(4) where it includes Lockheed Martin. "Government" is unchanged in the phrases "Government property" and "Government furnished property" and where elsewhere used except in paragraph (d)(1) where it means "Lockheed Martin" and except in paragraphs (d)(2) and (g) where the term includes Lockheed Martin." The following is added as paragraph (n) "Seller shall provide to Lockheed Martin immediate notice if the Government or other customer (i) revokes its assumption of loss under any direct contracts with Seller, or (ii) makes a determination that Seller's property management practices are inadequate, and/or present an undue risk, or that Seller has failed to take corrective action when required.")

**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 52.203-8 CANCELLATION, RESCISSION, AND RECOVERY OF FUNDS FOR ILLEGAL OR IMPROPER ACTIVITY (MAY 2014)**

**FAR 52.203-16 PREVENTING PERSONAL CONFLICTS OF INTEREST (DEC 2011)** (Does not apply for Commercial Items as defined in FAR 2.101.)

**FAR 52.215-23 - ALTERNATE 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. Does not apply for Commercial Items as defined in FAR 2.101.)

**FAR 52.222-17 NON-DISPLACEMENT OF QUALIFIED WORKERS (MAY 2014)** (Does not apply for Commercial Items as defined in FAR 2.101.)

**FAR 52.222-42 STATEMENT OF EQUIVALENT RATES FOR FEDERAL HIRES (May 2014)**

**FAR 52.222-50 COMBATING TRAFFICKING IN PERSONS (MAR 2015)** ("Contracting Officer" means "Lockheed Martin." In paragraph (e), "Government" means "Lockheed Martin and the Government.")

**FAR 52.222-55 MINIMUM WAGES UNDER EXECUTIVE ORDER 13658 (DEC 2015)** (**Applicable to** all subcontracts that are subject to the Service Contract Labor Standards statute or the Wage Rate Requirements (Construction) statute, and are to be performed in whole or in part in the United States)

**FAR 52.223-15 ENERGY EFFICIENCY IN ENERGY-CONSUMING PRODUCTS (DEC 2007)**

**FAR 52.223-16 ACQUISITION OF REPEAT-REGISTERED PERSONAL COMPUTER PRODUCTS (Oct 2015)**

**FAR 52.227-1 AUTHORIZATION AND CONSENT (DEC 2007)** (Does not apply for Commercial Items as defined in FAR 2.101; applies if this contract exceeds \$25,000).

**FAR 52.227-1 ALT I AUTHORIZATION AND CONSENT (April 1984)** (Does not apply for Commercial Items as defined in FAR 2.101; applies if this contract exceeds \$25,000).

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

**FAR 52.232-39 UNENFORCEABILITY OF UNAUTHORIZED OBLIGATIONS (JUN 2013)** (Applicable to subcontracts where software or services will be retransferred to the Government)

**FAR 52.239-1 PRIVACY OR SECURITY SAFEGUARDS (AUG 1996) For Non Commercial Items:** (Applicable to subcontracts for information technology which require security of information)

technology, and/or are for the design, development, or operation of a system of records using commercial information technology services or support services. Does not apply for Commercial Items as defined in FAR 2.101.)

**FAR 52.243-2 ALTERNATE I (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 52.245-9 USE AND CHARGES (APR 2012)** (Communications with the Government under this clause will be made through Lockheed Martin. Applicable if Government furnished property is provided through Lockheed Martin to the Seller.)

**DFARS 252.203-7004 DISPLAY OF FRAUD HOTLINE POSTER(S) (OCT 2015)** (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 252.211-7007 REPORTING OF GOVERNMENT-FURNISHED PROPERTY (AUG 2012)**  
(APPLICABLE TO SELLER ONLY IF IT WILL BE IN POSSESSION OF GOVERNMENT PROPERTY FOR THE PERFORMANCE OF THIS CONTRACT.)

**DFARS 252.222-7006 RESTRICTIONS ON THE USE OF MANDATORY ARBITRATION AGREEMENTS (DEC 2010)** (Does not apply for Commercial Items as defined in FAR 2.101. The certification in paragraph (b)(2) applies to both Seller in its own capacity and to Seller's covered subcontractors.)

**DFARS 252.222-7007 REPRESENTATION REGARDING COMBATING TRAFFICKING IN PERSONS (JAN 2015)**

**DFARS 252.225-7028 EXCLUSIONARY POLICIES AND PRACTICES OF FOREIGN GOVERNMENTS (APR 2003)** (Does not apply for Commercial Items as defined in FAR 2.101)

**DFARS 252.234-7002 - EARNED VALUE MANAGEMENT SYSTEM (MAY 2011)** (Applies to cost reimbursement contracts. "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 252.234-7002A (DEVIATION 2015-O0017) Earned Value Management System. (DEVIATION 2015-O0017) (SEPT 2015)** (Applies to cost reimbursement contracts. "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 252.234-7004 COST AND SOFTWARE DATA REPORTING SYSTEM (NOV 2014)** (Applies to contracts that exceed \$50 million; In paragraph (b), "Government" means Lockheed Martin; not applicable to Commercial Items as defined in FAR 2.101.)

**DFARS 252.237-7010 – PROHIBITION ON INTERROGATION OF DETAINEES BY CONTRACTOR PERSONNEL (Jun 2013)**

**DFARS 252.243-7002 REQUESTS FOR EQUITABLE ADJUSTMENT (DEC 2012)**

(Does not apply for Commercial Items as defined in FAR 2.101; "Government" means "Lockheed Martin.")

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

**DFARS 252.245-7001 TAGGING, LABELING, AND MARKING OF GOVERNMENT-FURNISHED PROPERTY (APR 2012)** (Applicable to contracts where the items furnished by the contractor will be subject to serialized tracking)

**DFARS 252.245-7004 REPORTING, REUTILIZATION, AND DISPOSAL ( SEP 2016)** (Applicable if government property will be located at supplier facilities. "Contracting Officer" means Lockheed Martin.)

**H-1 – ALLOTMENT OF FUNDS– INCREMENTALLY FUNDED COST-REIMBURSEMENT CONTRACT OTHER THAN COST-SHARING CONTRACT (NAVAIR 5252.232-9516) (APR 1985) (DEVIATION)**

- A. LOCKHEED MARTIN shall not be obligated to pay SELLER an amount in excess of funds obligated herein for each program element as indicated below.

The funds set forth below shall be considered actually obligated by LOCKHEED MARTIN to SELLER as of the first day of each period. In the event LOCKHEED MARTIN terminates or issues a stop work order for all or a portion of one or more categories, funding for the affected task or portion thereof shall be frozen as of the date notice is given to SELLER.

A Termination Liability Funding Forecast shall be provided 30 days after receipt of an authorization to proceed with the work. Reports are required quarterly for the first four quarters; thereafter, updates shall be submitted as significant changes occur. "Significant change" is defined as a variance of 10% or \$500,000.00, whichever is less, to the program element price.

Program  
Element  
Prime Contract Number or Change Authorization  
Funds  
Obligated  
Date  
Obligated

- B. It is further recognized that the funds authorized in paragraph A., above, may be increased or decreased by LOCKHEED MARTIN at any by written notice to SELLER.
- C. It is understood and agreed by the Parties that this clause is applicable only until such time as the funds obligated for each program element equals the prices established therefore in the Contract and that when the Contract becomes fully funded, this clause shall be of no force and effect.

**H-3 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 (JUN 2013), or “computer software” and “computer software documentation” under DFARS 252.227-7014, Rights in Noncommercial Computer Software and Noncommercial Computer Software Documentation (MAY 2013), 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.

**5252.204-9504 DISCLOSURE OF CONTRACT INFORMATION (NAVAIR) (JAN 2007)**

- (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 JSFPO 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 LOCKHEED MARTIN.

Where practicable, requests and the specific information may be provided to LOCKHEED MARTIN using an electronic medium appropriate for the security level of the information being transmitted. The Seller shall submit its request to LOCKHEED MARTIN at least 25 working days before the proposed date for release.

(c) RESERVED

(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 LOCKHEED MARTIN to the Government’s Public Affairs Officer.

**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 Government Contracting Officer's Representative.

(b) If Seller's employees are wearing a badge that is a risk to safety and/or security, then an alternative means of identification maybe utilized if endorsed by the Government Contracting Officer's Representative and approved by the Government Contracting Officer through LOCKHEED MARTIN to the Seller.

(c) LOCKHEED MARTIN will make the final determination of compliance with regulations with regard to proper identification of contractor employees.

**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 Seller, 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) Neither the Government nor LOCKHEED MARTIN shall be liable for any unauthorized use or release of export-controlled information, technical data or specifications in this contract.

(d) The Seller shall include the provisions or paragraphs (a) through (c) above in any subcontracts awarded under this contract.

**5252.227-9511 DISCLOSURE, USE AND PROTECTION OF PROPRIETARY INFORMATION (NAVAIR) (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 LOCKHEED MARTIN or the Seller. The Seller 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 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 (other than restricted cost or pricing data), which is proprietary to LOCKHEED MARTIN or Seller.

(e) To protect any such proprietary information from disclosure or use, and to establish the respective rights and duties of both the ISC and LOCKHEED MARTIN, the Seller will agree to enter into a direct agreement with any ISC, if required by the Government or LOCKHEED MARTIN. A properly executed copy (per FAR 9.505-4) of the agreement will be provided by LOCKHEED MARTIN to the Government's Procuring Contracting Officer.

**5252.228-9501 LIABILITY INSURANCE (NAVAIR) (MAR 1999) (Applies if Seller will be performing work on a Government installation.)**

The following types of insurance are required in accordance with the clause entitled FAR 52.228-7, "Insurance--Liability to Third Persons" and shall be maintained in the minimum coverage 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.

**5252.232-9509 TRAVEL APPROVAL AND REIMBURSEMENT PROCEDURES (NAVAIR) (OCT 2013)**

(a) General. Performance under this contract may require travel by Contractor personnel. If travel, domestic or overseas, is required, the Contractor 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.

(b) Travel Approval Process. No prior approval is required for travel under this contract.

(c) Travel Policy.

(1) Travel arrangements shall be planned in accordance with the Federal Travel regulations, prescribed by the General Services Administration for travel in the conterminous 48 United States, (hereinafter the FTR) and the Joint Travel Regulation, Volume 2, DoD Civilian Personnel, Appendix A, prescribed by the Department of Defense (hereinafter the JTR).

(2) The Government will reimburse the Contractor for allowable travel costs incurred by the Contractor in performance of the contract in accordance with FAR Subpart 31.2.

(3) For purposes of reimbursement of travel expenses, the Contractor's official station is defined as within 50 miles of the Contractor's regular work site. (If Contractor has more than one regular work site, the official station is defined as within 50 miles of each of its regular work sites.)

(4) The Contractor's documentation for the reimbursement of travel costs (e.g., receipts) shall be governed as set forth in FAR Subpart 31.2, the FTR, and the JTR.

(5) Car Rental for a team on temporary duty (TDY) at one site will be allowed provided that only one car is rented for every four (4) members of the TDY team. In the event that less than four (4) persons comprise the TDY team, car rental will be allowed if necessary to complete the mission required.

(6) Whenever work assignments require TDY aboard a Government ship, the Contractor will be reimbursed at the per diem identified in the JTR.