

LOCKHEED MARTIN CORPORATION
PRIME SUPPLEMENTAL FLOWDOWN DOCUMENT (PSFD)
ADDITIONAL TERMS AND CONDITIONS
FOR SUBCONTRACTS/PURCHASE ORDERS UNDER
PRIME CONTRACT NUMBER N00019-19-G-0008
F-35/JSF OMNIBUS Basic Ordering Agreement Prime Contract
Generated Using the 2019 Version of the Lockheed Martin CorpDocs

Revision 3: April 26, 2021

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:

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 52.222-50 COMBATTING TRAFFICKING IN PERSONS (JAN 2019) ("Contracting Officer" means "Lockheed Martin." In paragraph (e), "Government" means "Lockheed Martin and the Government.")

FAR 52.244-6 SUBCONTRACTS FOR COMMERCIAL ITEMS (JAN 2019)

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 52.204-25 PROHIBITION ON CONTRACTING FOR CERTAIN TELECOMMUNICATIONS AND VIDEO SURVEILLANCE SERVICES OR EQUIPMENT (AUG 2020) ("Government" in paragraph (b) means "Government or Lockheed Martin." Reports required by this clause will be made to Lockheed Martin. Paragraph (b)(2) is deleted.

FAR 52.216-16 INCENTIVE PRICE REVISION FIRM TARGET (OCT 1997) (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 52.222-17 NONDISPLACEMENT OF QUALIFIED WORKERS (MAY 2014) (Not applicable to commercial items as defined by FAR 2.101.)

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

FAR 52.227-1 ALT I AUTHORIZATION AND CONSENT (APR 1984) (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 52.228-3 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 information specified elsewhere in the Contract. Not applicable to commercial items as defined by FAR 2.101.)

FAR 52.232-32 PERFORMANCE-BASED PAYMENTS (APR 2012) (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. Not applicable to commercial items as defined by FAR 2.101.)

FAR 52.239-1 PRIVACY OR SECURITY SAFEGUARDS (AUG 1996) (Not applicable to commercial items as defined by FAR 2.101.)

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

FAR 52.234-4 EARNED VALUE MANAGEMENT SYSTEM (NOV 2016) (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. Not applicable to commercial items as defined by FAR 2.101.)

FAR 52.243-1 ALT V – ALTERNATE V – CHANGES-FIXED-PRICE (APR 1984) ("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 – ALTERNATE I – CHANGES-COST-REIMBURSEMENT (APR 1984) ("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 – ALTERNATE II – CHANGES-COST-REIMBURSEMENT (APR 1984) ("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 SUBCONTRACTS FOR COMMERCIAL ITEMS (OCT 2018)

FAR 52.245-9 USE AND CHARGES (APR 2012) (Communications with the Government under this clause will be made through LOCKHEED MARTIN.)

FAR 52.246-1 CONTRACTOR INSPECTION REQUIREMENTS (APR 1984) ("Government" means "LOCKHEED MARTIN." Not applicable to commercial items as defined by FAR 2.101.)

FAR 52.246-2 ALT I – ALTERNATE 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." Not applicable to commercial items as defined by FAR 2.101.)

FAR 52.246-8 INSPECTION OF RESEARCH AND DEVELOPMENT COST-REIMBURSEMENT (MAY 2001) ("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. Not applicable to commercial items as defined by FAR 2.101.)

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 52.249-9 DEFAULT (FIXED-PRICE RESEARCH AND DEVELOPMENT) (APR 1984) ("Government" and "Contracting Officer" mean "LOCKHEED MARTIN" except in paragraph (c) where the term "Government" is unchanged. Not applicable to commercial items as defined by FAR 2.101.)

DFARS 252.204-7020 NIST SP 800-171 DOD ASSESSMENT REQUIREMENTS (NOV 2020) (Applies except if this Contract is for commercial off the shelf items.)

DFARS 252.209-7010 CRITICAL SAFETY ITEMS (AUG 2011) (The blanks in this clause are completed as follows: "Critical Safety Items are identified elsewhere in this Contract.")

DFARS 252.211-7005 SUBSTITUTIONS FOR MILITARY OR FEDERAL SPECIFICATIONS AND STANDARDS (NOV 2005) (Applies to subcontracts where subcontractor Single Process Initiative block changes have been approved for use.)

DFARS 252.211-7006 PASSIVE RADIO FREQUENCY IDENTIFICATION (MAR 2018) (Applies 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 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 items are serially managed.)

DFARS 252.217-7028 OVER AND ABOVE WORK (DEC 1991) ("Administrative Contracting Officer," "Contracting Officer," and "Government" mean LOCKHEED MARTIN. Paragraph (f) is deleted. Applies to subcontracts where over and above work may be required and no more specific arrangement for handling such work is specified in the subcontract. Not applicable to commercial items as defined by FAR 2.101.)

DFARS 252.219-7004 SMALL BUSINESS SUBCONTRACTING PLAN (TEST PROGRAM) (APR 2018) (Applies to participants in the DoD Test Program for the Negotiation of Comprehensive Small Business Subcontracting Plans.)

DFARS 252.225-7013 DUTY-FREE ENTRY (MAY 2016) (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 RESTRICTION ON ACQUISITION OF HAND OR MEASURING TOOLS (JUN 2005) (Applies to subcontracts that requires the delivery of hand or measuring tools.)

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 252.225-7028 EXCLUSIONARY POLICIES AND PRACTICES OF FOREIGN GOVERNMENTS (APR 2003) (Not applicable to commercial items as defined by 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. Not applicable to commercial items as defined by FAR 2.101.)

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. Not applicable to commercial items as defined by FAR 2.101.)

DFARS 252.234-7002 EARNED VALUE MANAGEMENT SYSTEM (MAY 2011) (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. Not applicable to commercial items as defined by FAR 2.101.)

DFARS 252.234-7004 COST AND SOFTWARE DATA REPORTING SYSTEM (NOV 2014) (Applies if contract value is greater than \$50 million. In paragraph (b), "Government" means LOCKHEED MARTIN. Not applicable to commercial items as defined by FAR 2.101.)

DFARS 252.234-7004 ALT I – ALTERNATE I – COST AND SOFTWARE DATA REPORTING SYSTEM (NOV 2014) (Applies if contract value is greater than \$50 million. In paragraph (b), "Government" means LOCKHEED MARTIN. Not applicable to commercial items as defined by 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 TELECOMMUNICATIONS SECURITY EQUIPMENT, DEVICES, TECHNIQUES, AND SERVICES (DEC 1991) (Applies if this Contract requires securing telecommunications. Not applicable to commercial items as defined by FAR 2.101.)

DFARS 252.243-7002 REQUESTS FOR EQUITABLE ADJUSTMENT (DEC 2012) ("Government" means "LOCKHEED MARTIN." Not applicable to commercial items as defined by FAR 2.101.)

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

DFARS 252.245-7001 TAGGING, LABELING, AND MARKING OF GOVERNMENT-FURNISHED PROPERTY (APR 2012) (Applies to subcontracts where the items furnished by the subcontractor will be subject to serialized tracking.)

DFARS 252.245-7004 REPORTING, REUTILIZATION, AND DISPOSAL (DEC 2017) ("Contracting Officer" means LOCKHEED MARTIN.)

DFARS 252.246-7000 MATERIAL INSPECTION AND RECEIVING REPORT (MAR 2008) (Applies if this Contract requires delivery of Items directly to the Government.)

DFARS 252.246-7001 WARRANTY OF DATA (MAR 2014) ("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 (3) 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 (3) years after delivery to the Government." Not applicable to commercial items as defined by FAR 2.101.)

NAVAIR 5252.211-9510 CONTRACTOR EMPLOYEES (MAY 2011) (Not applicable to commercial items as defined by 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 workspaces 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 5252.228-9501 LIABILITY INSURANCE (MAR 1999) (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. Not applicable to commercial items as defined by 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 5252.247-9507 PACKAGING AND MARKING OF REPORTS (OCT 2005)

(a) All unclassified data shall be prepared for shipment in accordance with best commercial practice. Classified reports, data and documentation, if any, shall be prepared for shipment in accordance with the National Industry Security Program Operating Manual, DoD 5220.22-M.

(b) The contractor shall prominently display on the cover of each report the following information:

(1) Name and business address of contractor.

- (2) Contract Number/Delivery/Task order number.
- (3) Contract/Delivery/Task order dollar amount.
- (4) Whether the Contract was competitively or non-competitively awarded.
- (5) Name of sponsoring individual.
- (6) Name and address of requiring activity.

NAVAIR 5252.247-9508 PROHIBITED PACKING MATERIALS (JUN 1998) (Applies if SELLER will make shipments under this Contract directly to the Government. Not applicable to commercial items as defined by FAR 2.101.)

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 5252.247-9510 PRESERVATION, PACKAGING, PACKING, AND MARKING FOR FOREIGN MILITARY SALES (FMS) REQUIREMENTS (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 III. SECTION H – PRIME CONTRACT SPECIAL PROVISIONS: 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 – NAVAIR 5252.227-9505 TECHNICAL DATA AND COMPUTER SOFTWARE IDENTIFICATION IN ENGINEERING CHANGE PROPOSALS (ECP’s) (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 – NAVAIR 5252.204-9504 DISCLOSURE OF CONTRACT INFORMATION (JAN 2007) (VARIATION)

(a) The SELLER shall not release to anyone outside the SELLER’s organization any information (e.g., announcement of Contract award), regardless of medium (e.g., film, tape, document, etc.), 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 fifteen (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 NAVAIR 5252.227-9511 DISCLOSURE, USE, AND PROTECTION OF PROPRIETARY INFORMATION (FEB 2009) (VARIATION) (Applies 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-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.