



**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 N00019-19-G-0008**

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**28 MAR 2019**

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 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 52.222-17 NONDISPLACEMENT OF QUALIFIED WORKERS (MAY-14)** (Not applicable to Commercial Items as defined in FAR 2.101).

**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-84) – 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 (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 52.232-32 (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 (NOV-16) 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 (OCT-18) 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 252.209-7010 (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 (MAR-18) 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 (APR-18) SMALL BUSINESS SUBCONTRACTING PLAN (TEST PROGRAM).** (Applicable to participants in the DoD Test Program for the Negotiation of Comprehensive Small Business Subcontracting Plans)

**DFARS 252.225-7013 DUTY-FREE ENTRY (MAY-16)** (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-06)** (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 252.228-7001 (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 252.234-7004 (NOV-14) 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-14) 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-08)** ("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-13)**

**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 (DEC-17)** ("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 5252.209-9510 ORGANIZATIONAL CONFLICT OF INTERESTS (SERVICES) (MAR-07)** (Any communications with the Government pursuant to this clause shall be made through Lockheed Martin; not applicable to Commercial Items as defined in FAR 2.101.)

(a) Purpose. This clause seeks to ensure that the contractor (1) does not obtain an unfair competitive advantage over other parties by virtue of its performance of this contract, and (2) is not biased because of its current or planned interests (financial, contractual, organizational or otherwise) that relate to the work under this contract.

(b) Scope. The restrictions described herein shall apply to performance or participation by the contractor (as defined in paragraph (d)(7)) in the activities covered by this clause.

(1) The restrictions set forth in paragraph (e) apply to supplies, services, and other performance rendered with respect to the suppliers and/or equipment listed in Attachment [insert attachment number]. [insert either "Task orders issued under the contract" or "The contract"] will specify to which suppliers and/or equipment subparagraph (f) restrictions apply.

(2) The financial, contractual, organizational and other interests of contractor personnel performing work under this contract shall be deemed to be the interests of the contractor for the purposes of determining the existence of an Organizational Conflict of Interest. Any subcontractor that performs any work relative to this contract shall be subject to this clause. The contractor agrees to place in each subcontract affected by these provisions the necessary language contained in this clause.

(c) Waiver. Any request for waiver of the provisions of this clause shall be submitted in writing to the Procuring Contracting Officer. The request for waiver shall set forth all relevant factors including proposed contractual safeguards or job procedures to mitigate conflicting roles that might produce an Organizational Conflict of Interest. No waiver shall be granted by the Government with respect to prohibitions pursuant to access to proprietary data.

(d) Definitions. For purposes of application of this clause only, the following definitions are applicable:

(1) "System" includes system, major component, subassembly or subsystem, project, or item.

(2) "Nondevelopmental items" as defined in FAR 2.101.

- (3) "Systems Engineering" (SE) includes, but is not limited to, the activities in FAR 9.505-1(b).
- (4) "Technical direction" (TD) includes, but is not limited to, the activities in FAR 9.505-1(b).
- (5) "Advisory and Assistance Services" (AAS) as defined in FAR 2.101.
- (6) "Consultant services" as defined in FAR 31.205-33(a).
- (7) "Contractor", for the purposes of this clause, means the firm signing this contract, its subsidiaries and affiliates, joint ventures involving the firm, any entity with which the firm may hereafter merge or affiliate, and any other successor or assignee of the firm.
- (8) "Affiliates," means officers or employees of the prime contractor and first tier subcontractors involved in the program and technical decision-making process concerning this contract.
- (9) "Interest" means organizational or financial interest.
- (10) "Weapons system supplier" means any prime contractor or first tier subcontractor engaged in, or having a known prospective interest in the development, production or analysis of any of the weapon systems, as well as any major component or subassembly of such system.

(e) Contracting restrictions.

\_\_ (1) To the extent the contractor provides systems engineering and/or technical direction for a system or commodity but does not have overall contractual responsibility for the development, the integration, assembly and checkout (IAC) or the production of the system, the contractor shall not (i) be awarded a contract to supply the system or any of its major components or (ii) be a subcontractor or consultant to a supplier of the system or of its major components. The contractor agrees that it will not supply to the Department of Defense (either as a prime contractor or as a subcontractor) or act as consultant to a supplier of, any system, subsystem, or major component utilized for or in connection with any item or other matter that is (directly or indirectly) the subject of the systems engineering and/or technical direction or other services performed under this contract for a period of \_\_\_\_\_ [insert the period of prohibition] after the date of completion of the contract. (FAR 9.505-1(a))

\_\_ (2) To the extent the contractor prepares and furnishes complete specifications covering nondevelopmental items to be used in a competitive acquisition, the contractor shall not be allowed to furnish these items either as a prime contractor or subcontractor. This rule applies to the initial production contract, for such items plus a specified time period or event. The contractor agrees to prepare complete specifications covering non-developmental items to be used in competitive acquisitions, and the contractor agrees not to be a supplier to the Department of Defense, subcontract supplier, or a consultant to a supplier of any system or subsystem for which complete specifications were prepared hereunder. The prohibition relative to being a supplier, a subcontract supplier, or a consultant to a supplier of these systems of their subsystems extends for a period of \_\_\_\_\_ [insert the period of prohibition] after the terms of this contract. (FAR 9.505-2(a)(1))

\_\_ (3) To the extent the contractor prepares or assists in preparing a statement of work to be used in competitively acquiring a system or services or provides material leading directly, predictably and without delay to such a work statement, the contractor may not supply the system, major components

thereof or the services unless the contractor is the sole source, or a participant in the design or development work, or more than one contractor has been involved in preparation of the work statement. The contractor agrees to prepare, support the preparation of or provide material leading directly, predictably and without delay to a work statement to be used in competitive acquisitions, and the contractor agrees not to be a supplier or consultant to a supplier of any services, systems or subsystems for which the contractor participated in preparing the work statement. The prohibition relative to being a supplier, a subcontract supplier, or a consultant to a supplier of any services, systems or subsystems extends for a period of [insert the period of prohibition] after the terms of this contract. (FAR 9.505-2(b)(1))

\_\_ (4) To the extent work to be performed under this contract requires evaluation of offers for products or services, a contract will not be awarded to a contractor that will evaluate its own offers for products or services, or those of a competitor, without proper safeguards to ensure objectivity to protect the Government's interests. Contractor agrees to the terms and conditions set forth in the Statement of Work that are established to ensure objectivity to protect the Government's interests. (FAR 9.505-3)

\_\_ (5) To the extent work to be performed under this contract requires access to proprietary data of other companies, the contractor must enter into agreements with such other companies which set forth procedures deemed adequate by those companies (i) to protect such data from unauthorized use or disclosure so long as it remains proprietary and (ii) to refrain from using the information for any other purpose other than that for which it was furnished. Evidence of such agreement(s) must be made available to the Procuring Contracting Officer upon request. The contractor shall restrict access to proprietary information to the minimum number of employees necessary for performance of this contract. Further, the contractor agrees that it will not utilize proprietary data obtained from such other companies in preparing proposals (solicited or unsolicited) to perform additional services or studies for the United States Government. The contractor agrees to execute agreements with companies furnishing proprietary data in connection with work performed under this contract, obligating the contractor to protect such data from unauthorized use or disclosure so long as such data remains proprietary, and to furnish copies of such agreement to the Contracting Officer. Contractor further agrees that such proprietary data shall not be used in performing for the Department of Defense additional work in the same field as work performed under this contract if such additional work is procured competitively. (FAR 9.505)

\_\_ (6) Preparation of Statements of Work or Specifications. If the contractor under this contract assists substantially in the preparation of a statement of work or specifications, the contractor shall be ineligible to perform or participate in any capacity in any contractual effort (solicited or unsolicited) that is based on such statement of work or specifications. The contractor shall not incorporate its products or services in such statement of work or specifications unless so directed in writing by the Contracting Officer, in which case the restrictions in this subparagraph shall not apply. Contractor agrees that it will not supply to the Department of Defense (either as a prime contractor or as a subcontractor) or act as consultant to a supplier of, any system, subsystem or major component utilized for or in connection with any item or work statement prepared or other services performed or materials delivered under this contract, and is procured on a competitive basis, by the Department of Defense with [insert the period of prohibition] after completion of work under this contract. The provisions of this clause shall not apply to any system, subsystem, or major component for which the contractor is the sole source of supply or which it participated in designing or developing. (FAR 9.505-4(b))

\_\_ (7) Advisory and Assistance Services (AAS). If the contractor provides AAS services as defined in paragraph (d) of this clause, it shall be ineligible thereafter to participate in any capacity in Government contractual efforts (solicited or unsolicited) which stem directly from such work, and the contractor

agrees not to perform similar work for prospective offerors with respect to any such contractual efforts. Furthermore, unless so directed in writing by the Contracting Officer, the contractor shall not perform any such work under this contract on any of its products or services, or the products or services of another firm for which the contractor performs similar work. Nothing in this subparagraph shall preclude the contractor from competing for follow-on contracts for AAS.

(f) Remedies. In the event the contractor fails to comply with the provisions of this clause, such noncompliance shall be deemed a material breach of the provisions of this contract. If such noncompliance is the result of conflicting financial interest involving contractor personnel performing work under this contract, the Government may require the contractor to remove such personnel from performance of work under this contract. Further, the Government may elect to exercise its right to terminate for default in the event of such noncompliance. Nothing herein shall prevent the Government from electing any other appropriate remedies afforded by other provisions of this contract, or statute or regulation.

(g) Disclosure of Potential Conflicts of Interest. The contractor recognizes that during the term of this contract, conditions may change which may give rise to the appearance of a new conflict of interest. In such an event, the contractor shall disclose to the Government information concerning the new conflict of interest. The contractor shall provide, as a minimum, the following information:

- (1) a description of the new conflict of interest (e.g., additional weapons systems supplier(s), corporate restructuring, new first-tier subcontractor(s), new contract) and identity of parties involved;
- (2) a description of the work to be performed;
- (3) the dollar amount;
- (4) the period of performance; and
- (5) a description of the contractor's internal controls and planned actions, to avoid any potential organizational conflict of interest.

**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 may be 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-98)**

(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 (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.

**5252.247-9507 PACKAGING AND MARKING OF REPORTS (NAVAIR) (OCT-05)**

(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 (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 5252.247-9510 (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-87) (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-07) (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-09) (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-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.