For all subcontracts issued under the subject Prime Contract, incorporate the following terms and conditions, applicable as noted, in addition to those other terms and conditions (CorpDocs, etc.) to be used for subcontracts issued under the Prime Contract.

In the event of a conflict between the version or date of a clause set out in this document and the version or date of a clause set out in the identified CorpDocs, the version or date of the clauses set out 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.

Add the following clauses: 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 ALT I – 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)** (Applicable to subcontracts for services in excess of $150,000. Does not apply for commercial items as defined in FAR 2.101.)

**FAR 52.222-55 MINIMUM WAGES UNDER EXECUTIVE ORDER 13658 (DEC 2015)** (Applies if this Contract is 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. "Contracting Officer" means "Lockheed Martin.")
FAR 52.223-15 ENERGY EFFICIENCY IN ENERGY-CONSUMING PRODUCTS (DEC 2007)

FAR 52.227-1 ALT I AUTHORIZATION AND CONSENT (APR 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) (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 CHANGES-COST-REIMBURSEMENT ALT II (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 52.245-9 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 though Lockheed Martin to the SELLER.)

FAR 52.246-9 INSPECTION OF RESEARCH AND DEVELOPMENT COST-REIMBURSEMENT (APR 1984) ("Government" means "Lockheed Martin").

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 252.211-7007 REPORTING OF GOVERNMENT-FURNISHED PROPERTY (AUG 2012) (Applicable to SELLER only if SELLER will be in possession of Government property for the performance of this Contract.)

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 252.228-7001 GROUND AND FLIGHT RISK (JUNE 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. 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 252.234-7004 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) (Applicable to all subcontracts that may require subcontractor personnel to interact with detainees in the course of their duties.)

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

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

NAVAIR 5252.211-9510 CONTRACTOR EMPLOYEES (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 5252.227-9511 DISCLOSURE, USE, AND PROTECTION OF PROPRIETARY INFORMATION (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.

NAVAIR 5252.228-9501 LIABILITY INSURANCE (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 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 5252.232-9509 TRAVEL APPROVAL AND REIMBURSEMENT PROCEDURES (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. Prior approval is required for all travel under this Contract. Travel shall be reviewed and approved/disapproved as follows:

(1) The Contractor shall provide the Procuring Contracting Officer (PCO) a written request for authorization to travel at least thirty (30) days in advance of the required travel date, when possible. The request should include: purpose of travel, location, travel dates, number of individuals traveling, and all estimated costs associated with the travel (e.g., lodging, meals, transportation costs, incidental expenses, etc.).

(2) The PCO will review the travel request and provide, in writing, an approval or disapproval of the travel request to the Contractor.
(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 fifty (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 fifty (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.


(a) Noncommercial Data and Software

1) The Government desires to obtain a minimum of Government Purpose Rights (GPR) license rights for the Block 4 Follow-On Modernization capabilities and design as defined in DFARS 252.227-7013 (RIGHTS IN TECHNICAL DATA – NONCOMMERCIAL ITEMS) and DFARS 252.227-7014 (RIGHTS IN NONCOMMERCIAL COMPUTER SOFTWARE AND NONCOMMERCIAL COMPUTER SOFTWARE DOCUMENTATION).

2) If the Contractor believes it to be in the best interest of the F-35 program to consider incorporation of any noncommercial technical data, noncommercial computer software, or noncommercial computer software documentation into a Development Foundation Contract (DFC) 2.0 product with less than Government Purpose rights, then the Contractor shall submit a written request for approval to the Contracting Officer prior to incorporation. The request for approval shall describe all of the following: alternatives evaluated; the benefit to the F-35 program for using the noncommercial technical data, noncommercial computer software, or noncommercial computer software documentation; the name of the entity asserting less than Government Purpose Rights; the basis for the assertion, to include sufficient information to enable the Contracting Officer to evaluate any listed assertion information as defined in DFARS 252.227-7017; and a Rough Order of Magnitude to obtain a Government Purpose Rights license as defined in DFARS 252.227-7013 (RIGHTS IN TECHNICAL DATA – NONCOMMERCIAL ITEMS) and DFARS 252.227-7014 (RIGHTS IN NONCOMMERCIAL COMPUTER SOFTWARE AND NONCOMMERCIAL COMPUTER SOFTWARE DOCUMENTATION). The Government shall respond to the request for approval within five (5) business days acknowledging approval/disapproval or requesting additional information. If the Contractor does not receive any response from the Government within five (5) business days of the initial request, the Contractor is authorized to use the noncommercial technical data, noncommercial computer software, or noncommercial computer software documentation with less than Government Purpose Rights in the performance of this Contract.

H-2 – PRESERVATION OF RIGHTS FOR TECHNICAL DATA, COMPUTER SOFTWARE, AND COMPUTER SOFTWARE DOCUMENTATION ACCESSED, DELIVERED, OR PROVIDED ELECTRONICALLY
Information, whether delivered pursuant to the Contract Data Requirements List (CDRL) 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, Contractor is by electronic means. The rights of the parties shall be DFARS 252.227-7013 and DFARS 252.227-7014.

H-TXT-GFP – RENT-FREE USE OF GOVERNMENT PROPERTY ACCOUNTABLE UNDER AN ALTERNATE GOVERNMENT CONTRACT (NAVAIR)(MAY 2016)

(a) Pursuant to FAR 45.301, authorization is granted to use the Government property identified below on a noninterference basis without rental charge in the performance of this Contract and subcontracts of any tier issued hereunder. Government property currently accountable and managed under the following contracts:

N00019-02-C-3002 SDD
N00019-06-C-0291 LRIP1
N00019-07-C-0097 LRIP2
N00019-08-C-0028 LRIP3
N00019-09-C-0010 LRIP4
N00019-10-C-0002 LRIP5
N00019-11-C-0083 LRIP6
N00019-12-C-0004 LRIP7
N00019-15-C-0031 LRIP8I
N00019-15-C-0114 LRIP8J
N00019-14-C-0002 LRIP9
N00019-14-R-1031 FY16 A Sustainment & LRIP9A
N00019-15-C-0003 LRIP10
N00019-15-C-0016 LRIP2&3 Block2B Upgrade
N00019-15-C-0031 FY15 & 8NA Sustainment
N00019-15-C-0014 LRIP 9NA Sustainment
N00019-16-C-0004 LRIP 10NA Sustainment
N00019-16-C-0008 C2D2 FoM P1
N00019-16-C-0033 LRIP11
N00019-17-C-0001 LRIP12
N00019-17-C-0045 FY17 Annualized Sustainment
N00019-15-C-0105 ACURL
N00019-16-C-0056 NIIRL
N00019-18-D-0129 ECASE IDIQ
N00019-18-C-1004 C2D2 Follow on Mod Phase 2
N00019-18-C-1041 FY18 Annualized Sustainment
N00019-19-C-1048 LRIP 11 Non-Annualized Sustainment
N00019-18-R-0047 ALIS DMS
N00019-18-R-0044 ALIS DMS

(b) The said property shall be governed by the terms and conditions of the contract(s) under which it is accountable.

(c) The contractor is responsible for scheduling the use of the said property. The Government shall not be responsible for conflicts, delay or disruptions to any work performed by the contractor due to use of the property under this Contract or any other contracts under which use of such property is authorized.