

LOCKHEED MARTIN AERONAUTICS COMPANY
PRIME SUPPLEMENTAL FLOWDOWN DOCUMENT (PSFD)
ADDITIONAL TERMS AND CONDITIONS
FOR SUBCONTRACTS/PURCHASE ORDERS UNDER

Prime Contract Number N00019-20-C-0009 (formally N00019-19-C-0062)

Lot 15 Production Contract

Original: December 4, 2019

Revision 1: February 6, 2020

Revision 2: May 28, 2020

Revision 3: September 17, 2020

Revision 4: May 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 52.215-12 SUBCONTRACTOR CERTIFIED COST OR PRICING DATA (DEVIATION 2018-O0015) (MAY 2018) (Applies if this Contract exceeds the threshold for submission of certified cost or pricing data at FAR 15.403-4 and is not otherwise exempt from the requirement to provide cost or pricing data.)

FAR 52.215-13 SUBCONTRACTOR CERTIFIED COST OR PRICING DATA-MODIFICATIONS (DEVIATION 2018-O0015) (MAY 2018) (Applies if this Contract exceeds the threshold for submission of cost or pricing data at FAR 15.403-4 and modifications are not otherwise exempt from the requirement to provide certified cost or pricing data.)

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 (AUG 2019)

DFARS 252.203-7003 AGENCY OFFICE OF THE INSPECTOR GENERAL (AUG 2019) (Applies when FAR 52.203-13 applies to this Contract.)

DFARS 252.203-7004 DISPLAY OF HOTLINE POSTERS (AUG 2019) (Applies in lieu of FAR 52.203-14. Applies if this Contract exceeds the threshold at DFARS 203.1004(b)(2)(ii).)

DFARS 252.226-7001 UTILIZATION OF INDIAN ORGANIZATIONS, INDIAN-OWNED ECONOMIC ENTERPRISES, AND NATIVE HAWAIIAN SMALL BUSINESS CONCERNS (APR 2019) (Applies if this Contract exceeds \$500,000. In paragraph (c), "Contracting Officer" means Buyer the first time it appears. In subparagraph (f)(1), "Contractor" shall mean "LOCKHEED MARTIN." LOCKHEED MARTIN shall have no liability to SELLER for any incentive payment under this clause unless and until the Government proves said incentive payment to LOCKHEED MARTIN.)

DFARS 252.249-7002 NOTIFICATION OF ANTICIPATED CONTRACT TERMINATION OR REDUCTION (MAY 2019) (Applies if this Contract exceeds the threshold at DFARS 225.870-4(c)(2)(i)(A)(1). "Contracting Officer" means "LOCKHEED MARTIN." Subparagraphs (d)(1) and the first 5 words of subparagraph (d)(2) are deleted.)

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 2019) (In paragraph (b), "Government" means "Government or LOCKHEED MARTIN." Reports required by this clause will be made to LOCKHEED MARTIN.)

FAR 52.215-23 ALT I – ALTERNATE I – LIMITATIONS ON PASS-THROUGH CHARGES (OCT 2009) (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. Not applicable to commercial items as defined in FAR 2.101.)

FAR 52.216-16 INCENTIVE PRICE REVISION FIRM TARGET (OCT 1997) ("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. Not applicable to commercial items as defined in FAR 2.101.)

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 52.232-17 INTEREST (MAY 2014) ("Government" means "LOCKHEED MARTIN." Not applicable to commercial items as defined in FAR 2.101.)

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

FAR 52.245-9 USE AND CHARGES (APR 2012) (Applies to contracts where Government property will be provided. Communications with the Government under this clause will be made through LOCKHEED MARTIN. Not applicable to commercial items as defined in FAR 2.101.)

FAR 52.246-2 ALT I INSPECTION OF SUPPLIES – FIXED PRICE ALT I (1996) (Applies to fixed price incentive type contracts. “Government” means “LOCKHEED MARTIN and the Government” except in paragraphs (f), (j), and (l) where it means “LOCKHEED MARTIN.” “Contracting Officer” means “LOCKHEED MARTIN.”)

DFARS 252.204-7004 ANTITERRORISM AWARENESS TRAINING FOR CONTRACTORS (FEB 2019) (Applies if Contract performance requires routine physical access to a Federally controlled facility or military installation.)

DFARS 252.204-7018 PROHIBITION ON THE ACQUISITION OF COVERED DEFENSE TELECOMMUNICATIONS EQUIPMENT OR SERVICES (DEC 2019) (Copies of reports provided by SELLER under this clause will be provided to LOCKHEED MARTIN.)

DFARS 252.209-7010 CRITICAL SAFETY ITEMS (AUG 2011) (Applies if critical safety items covered by the clause will be furnished by subcontractor.)

DFARS 252.211-7006 PASSIVE RADIO FREQUENCY IDENTIFICATION (MAR 2018) (Applies if 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 the supplier will be in the possession of Government property for the performance of the subcontract. Not applicable if LOCKHEED MARTIN will assume responsibility for marking the property.)

DFARS 252.219-7004 SMALL BUSINESS SUBCONTRACTING PLAN (TEST PROGRAM) (APR 2018) (Not applicable to commercial items as defined in FAR 2.101.)

DFARS 252.225-7027 RESTRICTIONS 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 GOVERNMENT (APR 2003)

DFARS 252.225-7052 RESTRICTION ON THE ACQUISITION OF CERTAIN MAGNETS AND TUNGSTEN (APR 2019) (This clause does not apply where an exception in paragraph (c) applies.)

DFARS 252.225-7976 CONTRACTOR PERSONNEL PERFORMING IN JAPAN (DEVIATION 2018-00019) (AUG 2018) (Applies is SELLER will perform work in Japan.)

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 in FAR 2.101.)

DFARS 252.229-7003 TAX EXEMPTIONS (ITALY) (MAR 2012) (Applies if work will be performed in Italy.)

DFARS 252.229-7006 VALUE ADDED TAX EXCLUSION (UNITED KINGDOM) (DEC 2011) (Applies if SELLER is a United Kingdom firm. "This Contract" means "the prime contract." Not applicable to commercial items as defined in FAR 2.101.)

DFARS 252.234-7002 EARNED VALUE MANAGEMENT SYSTEM (DEVIATION 2015-O00017) (SEP 2015) (Applies to cost or incentive contracts valued at \$20,000,000 or more. "Government" means "LOCKHEED MARTIN and Government." Paragraphs (i) and (j) are deleted. Not applicable to 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 252.239-7000 PROTECTION AGAINST COMPROMISING EMANATIONS (JUN 2004) (Applies to all subcontracts where the subcontractor will perform classified work. "Contracting Officer" means "LOCKHEED MARTIN." In paragraphs (c) and (d), "Government" means "LOCKHEED MARTIN and the Government.")

DFARS 252.239-7001 INFORMATION ASSURANCE CONTRACTOR TRAINING AND CERTIFICATION (JAN 2008) (Applies to all subcontracts where subcontractor personnel will access DoD information systems.)

DFARS 252.239-7010 CLOUD COMPUTING RESOURCES (OCT 2016) (Applies if this Contract involves use of cloud services.)

DFARS 252.239-7016 TELECOMMUNICATIONS SECURITY EQUIPMENT, DEVICES, TECHNIQUES, AND SERVICES (DEC 1991) (Applies to all contracts which require securing telecommunications. Not applicable to commercial items as defined in FAR 2.101.)

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

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

DFARS 252.245-7004 REPORTING, REUTILIZATION, AND DISPOSAL (DEC 2017) (Applies to subcontracts that will require Government property to be located at subcontractor facilities. "Contracting Officer" means LOCKHEED MARTIN.)

DFARS 252.246-7001 ALT I – ALTERNATIVE I – WARRANTY OF DATA (MAR 2014) (Applies to fixed price incentive contracts. "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."

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 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.
- Mark Kelly, AIR-11.0P
 Office of Counsel/AIR-11.0
 Building 22725/Suite 257
 NAVAIRSYSCOMHQ
 47123 Buse Road, Unit Moffet
 Patuxent River, MD 20670-1547
- (c) The above designated Patent Counsel will represent the Procurement Contracting Officer with regard to invention reporting matters arising under this contract.
 - (d) A copy of each report and disclosure shall be forwarded to the Procuring Contracting Officer.
 - (e) The contractor shall furnish the Contracting Officer a final report within three (3) months after completion of the contracted work listing all subject inventions or certifying that there were no such inventions, and listing all subcontracts at any tier containing a patent rights clause or certifying that there were no such subcontracts.

NAVAIR 5252.227-9511 DISCLOSURE, USE, AND PROTECTION OF PROPRIETARY INFORMATION (FEB 2009) (Applies to subcontracts where subcontractor proprietary information may be accessed by Government support contractors. The term "prime contractor" means "SELLER.")

(a) During the performance of this Contract, the Government may use an independent services contractor (ISC) who is neither an agent nor employee of the Government. The ISC may be used to conduct reviews, evaluations, or independent verification and validations of technical documents submitted to the Government during performance.

(b) The use of an ISC is solely for the convenience of the Government. The ISC has no obligation to the prime contractor. The prime contractor is required to provide full cooperation, working facilities and access to the ISC for the purposes stated in paragraph (a) above.

(c) Since the ISC is neither an employee nor an agent of the Government, any findings, recommendations, analyses, or conclusions of such a contractor are not those of the Government.

(d) The prime contractor acknowledges that the Government has the right to use ISCs as stated in paragraph (a) above. It is possible that under such an arrangement the ISC may require access to or the use of information (other than restricted cost or pricing data), which is proprietary to the prime contractor.

(e) To protect any such proprietary information from disclosure or use, and to establish the respective rights and duties of both the ISC and prime contractor, the prime contractor agrees to enter into a direct agreement with any ISC as the Government requires. A properly executed copy (per FAR 9.505-4) of the agreement will be provided to the Procuring Contracting Officer.

PART IV. SECTION H – PRIME CONTRACT SPECIAL PROVISIONS

For purposes of this Section H, “Government” means the United States Government. The following Section H clauses are incorporated into the Contract in full text:

H-1 – PRESERVATION OF RIGHTS FOR TECHNICAL DATA, COMPUTER SOFTWARE, AND COMPUTER SOFTWARE DOCUMENTATION ACCESSED, DELIVERED, OR PROVIDED ELECTRONICALLY

Information, whether delivered pursuant to a data requirements list 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, delivery by the Contractor, or provision by the Contractor is by electronic means. The rights of the Parties shall be as specified in DFARS 252.227-7013 and DFARS 252.227-7014.

H-11 Restriction on the Delivery or Procurement of Supplies and Services from the Republic of Turkey (“Contractor” means SELLER, “Contracting Officer” means LOCKHEED MARTIN)

(a) *Definitions.*

- (1) “Component” means any item supplied to the Government or Lockheed Martin as part of an end product including, without limitation, raw materials and intermediate assemblies.
- (2) “Covered article” means any end item, component, software, or service that-
 - (i) Is produced in Turkey or by a covered entity; or
 - (ii) Is a service provided in Turkey or by a covered entity.
- (3) “Covered entity” means an entity that is effectively owned or controlled by the Turkish government.

- (4) “Effectively owned or controlled” means that the Turkish government or any entity controlled by the Turkish government has the power, either directly or indirectly, whether exercised or exercisable, to control the election, appointment, or tenure of the entity’s officers or a majority of the entity’s board of directors by any means, e.g., ownership, contract, or operation of the law (or equivalent power for unincorporated organizations).
- (5) “Entity controlled by the Turkish government” means
 - (i) Any domestic or foreign organization or corporation that is known to be effectively owned or controlled by the Turkish government; or
 - (ii) Any individual directly and openly, or known to the Contractor to be acting on behalf of the Turkish government.
- (6) “Purchase Order” means a mutually binding agreement between the Contractor and a subcontractor indicating types, definite quantities, and prices for products or services the subcontractor will provide to the Contractor.

(b) Restrictions.

The Contractor shall not enter into any Purchase Orders that would result in the delivery of covered articles under this contract nor charge to this contract, either directly or indirectly, the costs of any covered article placed on a Purchase Order.

(c) Reporting requirement.

- (1) In the event the Contractor identifies a covered article provided to the Government or Lockheed Martin during contract performance that was placed on a Purchase Order or the Contractor is notified of such by a subcontractor at any tier or any other source, the Contractor shall report, in writing, to the Contracting Officer the following information:
 - (i) Within 10 business days from the date of such identification or notification: the contract number; the order number(s), if applicable; supplier name; brand; model number (Original Equipment Manufacturer (OEM) number, manufacturer part number, or wholesaler number); item description; and any readily available information about mitigation actions undertaken or recommended.
 - (ii) Within 20 business days of submitting the report pursuant to paragraph (c)(1) of this clause: any further available information about mitigation actions undertaken or recommended. In addition, the Contractor shall describe the efforts it undertook to prevent use or submission of a covered article, any reasons that led to the use or submission of the covered article, and any additional efforts that will be incorporated to prevent future use or submission of covered articles.
- (d) The Parties agree that no consideration shall be provided by the Contractor to the Government or Lockheed Martin, or penalties imposed upon the Contractor for unknowingly being non-compliant to paragraph (b)(1) above.
- (e) *Subcontracts.* The Contractor shall insert the substance of this clause, including this paragraph (e), in all subcontracts, including subcontracts for the acquisition of commercial items.

H-29 – FINANCING PAYMENTS TO SUBCONTRACTORS

FAR 52.232-16 PROGRESS PAYMENTS (APR 2012) (Applies to the SELLER only if LOCKHEED MARTIN concurs with SELLER's request to be paid by means of progress payments, if applicable, in non-commercial contracts. "Contracting Officer" means "LOCKHEED MARTIN" except in paragraph (g) where it means "LOCKHEED MARTIN or Contracting Officer." "Government" means "LOCKHEED MARTIN" except: (1) in paragraphs (d), (e), and (j)(5) where the term is unchanged, and (2) in paragraphs (g) and (i) where it means "LOCKHEED MARTIN and the Government." Not applicable to commercial items as defined in FAR 2.101.)

FAR 52.232-32 PERFORMANCE-BASED PAYMENTS (APR 2012) (Applies to the SELLER only if under the Contract LOCKHEED MARTIN will be making financing payments to the SELLER in the form of performance-based payments and a Performance-Based Payment schedule is incorporated into this Contract. "Contracting Officer" and "Government" shall mean "LOCKHEED MARTIN" except with respect to title for property where the references to the Government shall be unchanged. Subparagraph (c)(2) of the clause is deleted.)

DFARS 252.232-7012 PERFORMANCE-BASED PAYMENTS – WHOLE-CONTRACT BASIS (DEVIATION 2019-O0011) (AUG 2019) (Applies to SELLER only if LOCKHEED MARTIN will be making financing payments to the SELLER in the form of performance-based payments under this Contract and a Performance-Based Payment schedule is incorporated into this Contract.)