

LOCKHEED MARTIN AERONAUTICS COMPANY
PRIME SUPPLEMENTAL FLOWDOWN DOCUMENT (PSFD)
ADDITIONAL TERMS AND CONDITIONS
FOR SUBCONTRACTS/PURCHASE ORDERS UNDER
LOW RATE INITIAL PRODUCTION LOT 18

N00019-23-C-0003

Generated using Lockheed Martin CorpDocs 2023 Version

Original: March 30, 2023

The Terms and Conditions listed below are incorporated by reference and made a part of this Contract. Unless otherwise limited in this Contract, each document applies in its entirety.

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

To the extent that any clause included in this document is inapplicable to the performance of this Contract, the parties shall consider such clauses to be self-deleting and they shall not impose any obligations upon SELLER.

PART I. DELETIONS: The following clauses are deleted in their entirety from the applicable CorpDocs incorporated into this Contract:

RESERVED

PART II. MODIFICATIONS: The dates or versions of the following FAR, DFARS, and other agency clauses are modified as follows and are incorporated into the Contract:

RESERVED

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 52.215-23 ALT I Alternate I - Limitations on Pass-Through Charges (OCT 09)

(Applies if this is a cost-reimbursement subcontract in excess of the simplified acquisition threshold, 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.)

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FAR 52.216-16 Incentive Price Revision - Firm Target (JAN 22) (Applicable to incentive type subcontracts. "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 14) (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 84) (Applicable to all subcontracts to which the Defense Base Act would apply but for the waiver.)

FAR 52.232-17 Interest (MAY 14) (Applicable to fixed price incentive subcontracts containing FAR 52.216-16 or FAR 52.216-17. "Government" means "Lockheed Martin." Not applicable to Commercial Items as defined in FAR 2.101.)

FAR 52.232-39 Unenforceability of Unauthorized Obligations (JUN 13)

FAR 52.245-9 Use and Charges (APR 12) (Applicable to subcontracts where government property will be provided. Communications with the Government under this clause will be made through Lockheed Martin.)

FAR 52.246-2 ALT I Inspection of Supplies-Fixed Price - Alternate I (JUL 85) ("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 252.203-7004 Display of Hotline Posters (AUG 19) (Contact the Lockheed Martin Authorized Procurement Representative for the identity of the location specified in subparagraph (b)(2) of the clause.)

DFARS 252.204-7004 Antiterrorism Awareness Training for Contractors (FEB 19) (Applicable to all subcontracts where performance requires routine physical access to a Federally-controlled facility or military installation.)

DFARS 252.209-7010 Critical Safety Items (AUG 11) (Applies in all solicitations for subcontracts for items containing Critical Safety Items.)

DFARS 252.211-7006 Passive Radio Frequency Identification (MAR 18) (Applies to all 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 Property (MAR 22) (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 10) (Applies if Seller will be in possession of Government property for the performance of this contract.)

DFARS 252.219-7004 Small, Small Disadvantaged and Women-Owned Business Subcontracting Plan (Test Program) (MAY 19) (Applicable to participants in the DoD Test Program for the Negotiation of Comprehensive Small Business. Not applicable to Commercial Items as defined in FAR 2.101.)

DFARS 252.223-7006 Prohibition on Storage and Disposal of Toxic and Hazardous Materials – Basic (SEP 14) (Applicable to subcontracts that require, may require, or permit the subcontractor to treat or dispose of non-DoD-owned toxic or hazardous materials as defined in the clause. "Government" means "Lockheed Martin and Government." Not applicable to Commercial Items as defined in FAR 2.101.)

DFARS 252.225-7028 Exclusionary Policies and Practices of Foreign Governments (APR 03) (Not applicable to Commercial Items as defined in FAR 2.101.)

DFARS 252.228-7001 Ground and Flight Risk (JUN 10) (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. The provision of this clause relating to assumption of risk by the Government are not applicable to Seller unless this contract includes language stating the Government has agreed to assume such risk of loss. Not applicable to Commercial Items as defined in FAR 2.101.)

DFARS 252.229-7006 Value Added Tax Exclusion (United Kingdom) (DEC 11) (Applicable to subcontracts with United Kingdom suppliers. Not applicable to Commercial Items as defined in FAR 2.101. "This contract" means "the prime contract.")

DFARS 252.234-7004 Cost and Software Data Reporting System – Basic (NOV 14) (Applicable to subcontracts at any tier in excess of \$50,000,000. Not applicable to Commercial Items as defined in FAR 2.101. In paragraph (b), "Government" means Lockheed Martin.)

DFARS 252.239-7000 Protection Against Compromising Emanations (OCT 19) ("Contracting Officer" means "Lockheed Martin." "Government" means "Lockheed Martin and the Government" in paragraphs (c) and (d). Applicable to any subcontract in which subcontractor will perform classified Work.)

DFARS 252.239-7001 Information Assurance Contractor Training and Certification (JAN 08) (Applicable if subcontractor personnel will access DoD information systems in performance of this Contract.)

DFARS 252.239-7016 Telecommunications Security Equipment, Devices, Techniques, and Services (DEC 91) (Applies if this contract requires securing telecommunications. Not applicable to Commercial Items as defined in FAR 2.101.)

DFARS 252.243-7002 Requests for Equitable Adjustment (DEC 12) (Applicable to subcontracts in excess of \$150,000. "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 12) (Applicable to subcontracts where the items furnished by the subcontractor will be subject to serialized tracking.)

NAVAIR 5252.247-9509 Preservation, Packaging, Packing and Marking (JUL 98) (Applies if Seller will make shipments under this contract directly to the Government. In subparagraph (b), "Contract Number" means "Lockheed Martin's prime contract number and the number assigned to this contract.")

(a) Preservation, packaging and packing shall conform to prevailing industry standards for the type of commodity purchased under this contract.

(b) All packages will be clearly marked with applicable contract number/delivery order number, and will contain appropriate packing slip. All deliveries will be marked for and/or consigned as follows:

[Insert specific instructions]

(c) In the event of any discrepancy in material shipped (overage, technical rejection, damage), the contractor shall, immediately upon request of the Contracting Officer, furnish disposition instructions. Normally, such disposition instruction shall be a properly completed Commercial Bill of Lading which includes, but is not limited to, the mode of shipment, routing, special handling, and so forth.

(d) If the contractor is required to install equipment upon delivery, then the contractor shall inform the Government of the date of shipment from the contractor's facilities and the anticipated date of arrival at the site. This report shall be made no later than the actual date that the shipment is made from the contractor's facilities. The report may be made by facsimile or e-mail, to the point of contact listed in Section G. All transportation, rigging, drayage, packing, unpacking, and handling necessary to accomplish the installation shall be the responsibility of the contractor.

(End of clause)

NAVAIR 5252.247-9509 PRESERVATION, PACKAGING, PACKING AND MARKING (JUL 1998) - ALT I (OCT 2005)

((b)(i) Marking shall be in accordance with MIL-STD-129, ""Marking of Shipment and Storage"".

(ii) Additional marking required are stated below: [If None, so state]

(TCN): _____ [insert TCN]

(PRI): _____ [insert PRI] (RDD):

_____ [insert RDD] (PROJ): _____ [insert project number]

(TO) : _____ [insert address]

(OVERSEAS ADDRESS) _____ [insert address]

NAVAIR 5252.247-9509 PRESERVATION, PACKAGING, PACKING AND MARKING (JUL 1998) - ALT II (OCT 2005)

(a) Preservation-Packaging – Preservation-Packaging for item(s) [insert CLINs] shall be level [insert level] of MIL-STD-129 and/or the commodity specification under which the item is procured.

(b) Packing -- Packing for item(s) [insert CLINs] shall be level [insert level] of MIL-STD-129 and/or the commodity specification under which the item is procured.

(End of clause)

NAVAIR 5252.247-9510 Preservation, Packaging, Packing and Marking for Foreign Military Sales (FMS) Requirements (OCT 05) (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.

(End of clause)

Part IV. SECTION H –PRIME CONTRACT SPECIAL PROVISIONS

H-1 (DEC 22) 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, 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-4 (Dec-22) PROPULSION SYSTEM INTEGRATION (Applicable to all subcontractors who have a role in the integration of the propulsion system into the JSF Air System and management of JSF Propulsion System processes as they relate to the JSF Air System; if applicable, SELLER shall request additional terms and conditions applicable to this Contract.)

H-6 (FEB 09) 5252.227-9511 DISCLOSURE, USE AND PROTECTION OF PROPRIETARY INFORMATION (NAVAIR) (FEB 2009) (VARIATION)

- (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 the prime contractor, the ISC has no obligation to the prime contractor. The prime contractor 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 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, 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 prime contractor agrees to enter into a direct agreement with any ISC as the Government requires. The ISC will be responsible for initiating contact with the prime contractor sufficiently in advance of any work that may require facility access, cooperation from LM, or access to proprietary information belonging to the prime contractor or to third parties who may have authorized the prime contractor to disclose such data to enable the prime contractor

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.

H-9 (DEC 22) PROHIBITION ON DELIVERING ITEMS CONTAINING HEXAVALENT CHROMIUM

(a) Definitions. As used in this clause—“Homogeneous material” means a material that cannot be mechanically disjointed into different materials and is of uniform composition throughout.

(1) Examples of homogeneous materials include individual types of plastics, ceramics, glass, metals, alloys, paper, board, resins, and surface coatings.

(2) Homogeneous material does not include conversion coatings that chemically modify the substrate. “Mechanically disjointed” means that the materials can, in principle, be separated by mechanical actions such as unscrewing, cutting, crushing, grinding, and abrasive processes.

(b) Prohibition.

(1) Unless otherwise specified by the Contracting Officer, the Contractor shall not provide any deliverable or construction material under this contract that—

(i) Contains hexavalent chromium in a concentration greater than 0.1 percent by weight in any homogenous material; or

(ii) Requires the removal or reapplication of hexavalent chromium materials during subsequent sustainment phases of the deliverable or construction material.

(2) This prohibition does not apply to hexavalent chromium produced as a by-product of manufacturing processes.

(c) If authorization for incorporation of hexavalent chromium in a deliverable or construction material is required, the Contractor shall submit a request to the Contracting Officer.

(d) Notwithstanding the foregoing, the items using the applications listed in Table H-9a below, may be delivered by the Contractor and accepted by the Government even though they contain Hexavalent Chromium in a concentration greater than 0.1 percent by weight in any homogenous material or require the removal or reapplication of Hexavalent Chromium materials during subsequent sustainment phases of the deliverable or construction material.

(e) Subcontracts. The Contractor shall include the substance of this clause, including this paragraph (e), in all subcontracts, including subcontracts for commercial items, that are for supplies, maintenance and repair services, or construction materials.

Table H-9a: Hexavalent Chromium Applications Used in the Manufacture of the F-35 Air System

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- Fuel tank coating to AMS-C-27725 Type 2
- Sealant to LMA-MU065
- Sealant primer to LMA-MR058 Form 1
- Adhesive bonding primer to LMA-MD007 Type 2 or 2ZZZ00002 Type 2
- General structural primer to MIL-PRF-23377
- Non-Curing Corrosion Resistant Sealing Compound

H-10 (DEC 22) TAXES AND DUTIES SPECIFICALLY EXCLUDED FROM CONTRACT PRICES (Applicable to all fixed-price Items)

(a) The contract prices include all applicable taxes and duties, as defined in FAR 52.229-6, Taxes–Foreign Fixed Price Contracts (FEB 2013), except for:

(1) Customs duties, import and export taxes, and similar charges imposed by Participants to the Joint Strike Fighter Production, Sustainment, and Follow-On Development Memorandum of Understanding (MOU) or Foreign Military Sales (FMS) customers of the F-35 Lightning II Program;

(2) Value added taxes (VAT) or consumption taxes, imposed by the Country Concerned, as defined in FAR 52.229-6, on goods or services delivered in the Country Concerned under this contract.

(b) If the Contractor is required to pay or bear any tax or duty specified in subparagraphs (a)(2) above, including any interest or penalty, the Contractor shall follow the procedures specified in FAR 52.229-6, Taxes–Foreign Fixed Price Contracts (FEB 2013).

(c) Nothing in this clause alleviates the Contractor from the requirements of FAR 52.229-6.

H-11 (DEC 22) Restriction on the Delivery or Procurement of Supplies and Services from the Republic of Turkey

(a) Definitions.

(1) “Component” means any item supplied to the Government 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 after 31 March 2020 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 after 31 March 2020.

(c) Reporting requirement.

(1) In the event the Contractor identifies a covered article provided to the Government during contract performance that was placed on a Purchase Order after 31 March 2020, 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 penalties imposed upon the Contractor for unknowingly being non-compliant to paragraph (b) 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.

(End of clause)

H-16 RENT-FREE USE OF GOVERNMENT PROPERTY ACCOUNTABLE UNDER AN ALTERNATE GOVERNMENT CONTRACT

(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:

Contract:

Number : SEE LIST BELOW

Nomenclature/ Description:

Part/ Model/ Number:

Mfg:

Serial Number (Unique Item Identifier) :

Quantity/:

Unit of Issue :

Property provided "As Is":

Yes/No:

See Master Government Furnished Equipment List, Section J, Attachment 5 of the following contracts:

N00019-97-C-0038

N00019-02-C-3002

N00019-06-C-0291

N00019-07-C-0097

N00019-08-C-0028

N00019-09-C-0010

N00019-10-C-0002

N00019-11-C-0083

N00019-12-C-0004

N00019-13-C-0008

N00019-14-C-0002

N00019-15-C-0003

N00019-16-C-0033

N00019-17-C-0001

N00019-19-C-0074 (STATE)

See Master Government Furnished Equipment List, Section J, Attachment 1 of the following contract:

N00019-20-C-0051 (PAC)

(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.

H-29 (DEC 22) FINANCING PAYMENTS TO SUBCONTRACTORS

The contractor shall flow down the requirements of DFARS 252.232-7012 PERFORMANCE-BASED PAYMENTS—WHOLE-CONTRACT BASIS (AUG 2019) (DEVIATION 2019-O0011), or DFARS 252.232-7013, PERFORMANCE-BASED PAYMENTS-DELIVERABLE-ITEM BASIS(AUG 2019) (Deviation 2019-O0011), as applicable, to all subcontractors receiving performance based payments financing under this contract. This requirement is in addition to the requirements contained in applicable financing clauses of this contract, including FAR 52.232-16, PROGRESS PAYMENTS (APR 2012), and FAR 52.232-32, PERFORMANCE BASED PAYMENTS (APR 2012).

Revision

RESERVED