

LOCKHEED MARTIN AERONAUTICS COMPANY
PRIME SUPPLEMENTAL FLOWDOWN DOCUMENT (PSFD)
ADDITIONAL TERMS AND CONDITIONS
FOR SUBCONTRACTS/PURCHASE ORDERS UNDER
FY22-24 SAHW IDIQ BASE N00019-23-D-0010

Generated using Lockheed Martin CorpDocs 2023 Version

March 28, 2023: Original

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 52.203-16 Preventing Personal Conflicts of Interest (JUN 20) (Applies if this Contract exceeds the simplified acquisition threshold in FAR 2.101. Not applicable to Commercial Items as defined in FAR Part 2.101.)

FAR 52.215-21 ALT IV Requirements for Certified Cost or Pricing Data or Information Other Than Certified Cost or Pricing Data--Modifications - Alternate IV (OCT 10) ("Contracting Officer" means "Lockheed Martin" in paragraphs (a)(1) and (b).)

FAR 52.216-26 Payments of Allowable Costs Before Definitization (DEC 02) (Applicable to undefinitized cost-reimbursement subcontracts. Not applicable to Commercial Items as defined in FAR 2.101.)

FAR 52.217-2 Cancellation Under Multiyear Contracts (OCT 97) (Applicable to multi-year subcontracts. "Contracting Officer" and "Government" means "Lockheed Martin." In paragraph (e) "1 year" is changed to "six months.")

FAR 52.222-51 Exemption from Application of the Service Contract Labor Requirements to Contracts for Maintenance, Calibration, or Repair of Certain Equipment—Requirements (MAY 14) (Applicable to all subcontracts for exempt services.)

FAR 52.222-53 Exemption from Application of the Service Contract Labor Requirements to Contracts for Certain Services—Requirements (MAY 14) (Applicable to all subcontracts for exempt services.)

FAR 52.227-1 ALT I Authorization and Consent - Alternate I (APR 84) (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 52.229-8 Taxes--Foreign Cost-Reimbursement Contracts (MAR 90) (In paragraph (b), "Contracting Officer" and "Government of the United States" mean "Lockheed Martin." The blank is completed with _ TBD _. Not applicable to Commercial Items as defined in FAR 2.101.)

FAR 52.232-16 Progress Payments (NOV 21) (Applies to SELLER only if LOCKHEED MARTIN concurs with SELLER's request to be paid by means of progress payments in non-commercial Contracts. "Contracting Officer" shall mean "Lockheed Martin" except in paragraph (g) of the clause where it shall mean "Lockheed Martin or Contracting Officer." "Government" shall mean "Lockheed Martin" except: (1) in paragraphs (d), (e) and (j)(5) of the clause where the term is unchanged and (2) in paragraphs (g) and (i) of the clause where it means "Lockheed Martin and the Government." Alternate I applies if SELLER is a small business concern.)

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) (Flowdown is not expressly required by the clause but it should be included in subcontracts where software or services will be retransferred to the Government. When subcontractor software/service is required to be transferred to the government, ensure the license, terms of service or other instrument includes appropriate transfer rights and does not include reverse indemnities or other provisions that would be prohibited by this clause.)

FAR 52.234-4 Earned Value Management System (NOV 16) (Applicable to subcontractors identified by name in subsection (g) of the clause. Subsection (g) is completed as follows ____ TBD _ Not applicable to Commercial Items as defined in FAR 2.101. The terms "Contracting Officer" and "Government" include Lockheed Martin.)

FAR 52.239-1 Privacy or Security Safeguards (AUG 96) (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. Not applicable to Commercial Items as defined in FAR 2.101.)

FAR 52.243-2 ALT II Changes - Cost Reimbursement - Alternate II (APR 84) ("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 III Changes - Cost Reimbursement - Alternate III (APR 84) ("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 12) (Applicable to subcontracts where government property will be provided. Communications with the Government under this clause will be made through Lockheed Martin.)

FAR 52.247-64 ALT II Preference for Privately Owned U.S.-Flag Commercial Vessels -- Alternate II (NOV 21) (In the last sentence of paragraph (c) "Subcontractor" means "Seller and lower term subcontractor." "Contracting Officer" means "Lockheed Martin.")

DFARS 252.204-7004 Awareness Training for Contractors (FEB 19) (Applicable to all 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 (DEC 19) (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 252.217-7028 Over and Above Work (DEC 91) (May be included in subcontracts where over and above work may be required and no more specific arrangement for handling such work is specified in the subcontract. "Administrative Contracting Officer," "Contracting Officer," and "Government" mean Lockheed Martin. Paragraph (f) is deleted.)

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 252.225-7040 Contractor Personnel Supporting a Force Deployed Outside the United States (OCT 15) (Applies if Seller will deploy persons or otherwise provide support in the theater of operations to U.S. military forces deployed outside the United States. Communications with the Contracting Officer shall be made through Lockheed Martin.)

DFARS 252.225-7054 Prohibition on Use of Certain Energy Sourced from Inside the Russian Federation (AUG 21) (If applicable to the contract effort, per DFARS 225.7019-4(b), this clause is to be used in solicitations and contracts, including solicitations and contracts using FAR part 12 procedures for the acquisition of commercial items and solicitations and contracts at or below the simplified acquisition threshold, that are for the acquisition of furnished energy for a covered military installation.)

DFARS 252.225-7972 Prohibition on the Procurement of Foreign-Made Unmanned Aircraft Systems (Deviation 2020-O0015) (MAY 20) (Paragraph (b) expressly requires the clause be included in all subcontracts.)

DFARS 252.227-7017 Identification and Assertion of Use, Release, or Disclosure Restrictions (JAN 11) (Applies to subcontractor effort as well as effort by Lockheed Martin. Subcontract solicitations should address the subject matter of the clause. Contracting Officer" means "Lockheed Martin or Contracting Officer." In paragraphs (a) and (b) the references to the SBIR data rights clause are deleted.)

DFARS 252.229-7003 Tax Exemptions (Italy) (MAR 12) (Applicable to subcontracts where work will be performed in Italy. Not applicable to Commercial Items as defined in FAR 2.101. The blank in paragraph (b) is completed with _ TBD)

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 252.229-7011 Reporting of Foreign Taxes -- U.S. Assistance Programs (SEP 05) (Applicable to all subcontracts for commodities that exceed \$500. Not applicable to Commercial Items as defined in FAR 2.101. Copies of all notifications made pursuant to this clause shall be made to Lockheed Martin.)

DFARS 252.229-7999 (DEVIATION) Taxes - Foreign Contracts in Afghanistan. (DEVIATION 2013-O0016) (JUL 13) (Insert the following clause in all solicitations and resulting contracts with performance in Afghanistan unless the clause at 252.229-7998 is used.)

DFARS 252.232-7017 Accelerating Payments to Small Business Subcontractors-- Prohibition on Fees and Consideration (APR 20) (Applicable to all subcontracts with small business concerns.)

DFARS 252.234-7002 Notice of Earned Value System (Deviation 2015-O0017) (MAY 11) ("Government" means "Lockheed Martin and Government." Paragraphs (i) and (j) are deleted. Not applicable to Commercial Items as defined in FAR 2.101. Paragraph (k) is completed as follows: TBD)

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 252.237-7010 Prohibition on Interrogation of Detainees by Contractor Personnel (JUN 13) (Applicable to any subcontract that may require subcontractor personnel to interact with detainees in the course of their duties.)

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 252.243-7999 Section 3610 Reimbursement. (Deviation 2020-O0021) (AUG 20) (Applicable to any subcontract modification that involves the reimbursement of paid leave under section 3610 of the CARES Act to affected subcontractors.)

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.)

DFARS 252.246-7001 ALT I Warranty of Data - Alternate I (MAR 14) (Applicable if data will be acquired from the subcontractor in performance of this Contract. Not applicable to Commercial Items as defined in FAR 2.101. "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.")

NAVAIR 5252.211-9510 CONTRACTOR EMPLOYEES (MAY 11) (Clause should be included in subcontracts since subcontractor personnel can encounter situations the clause addresses.)

NAVAIR 5252.217-9507 OVER AND ABOVE WORK REQUESTS (OCT 05) (Should be used in subcontracts where over and above work is contemplated. Alternate I should be utilized if the work will be reimbursed on a time and materials basis. The blanks in paragraphs (c), (d) (e) and (g) are completed with "Lockheed Martin" and the phrase (specify either ACO or PCO) is deleted.)

NAVAIR 5252.227-9511 DISCLOSURE, USE AND PROTECTION OF PROPRIETARY INFORMATION (FEB 09) (In the event subcontractor proprietary information may be accessed by government support contractors, this clause should be included in subcontracts. The term "prime contractor" means "Seller.")

NAVAIR 5252.232-9509 Travel Approval and Reimbursement Procedures (OCT 12)

("Applicable to all subcontracts that will provide for reimbursement of travel and other costs covered by this clause. Not applicable to Commercial Items as defined in FAR 2.101.

Clause Text: (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 [Insert Procuring Contracting Officer (PCO) or Contracting Officer's Representative (COR)] a written request for authorization to travel at least 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 [Insert PCO or COR] will review the travel request and provide, in writing, an approval or disapproval of the travel request to the Contractor [Insert ""and the Procuring Contracting Officer."" if the COR is reviewing and approving the request.]

(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 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 50 miles of each of its regular work sites.)

(4) The Contractors 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.
(End of clause).")

NAVAIR 5252.232-9529 Incurred Cost Reporting and Progress Reporting for Services (DEC 12) ("Not applicable to Commercial Items as defined in FAR 2.101.

Clause Text: The following applies to the prime contractors and all subcontractors. If desired, a subcontractor may directly submit the required data in accordance with the contract CDRL [insert appropriate CDRL number]. When a subcontractor reports directly to the Government, the prime contractor shall highlight the subcontractor costs to be directly reported to the Government.

General: The contractor shall segregate costs incurred under this contract and provide a report as a supplement to each invoice submitted for payment in accordance with the requirements of this clause and CDRL TBD. This report shall include the elements outlined below and, at a minimum, be submitted jointly with the invoice. The total of all cost elements below shall match the applicable invoice amount. If there are no costs associated to a particular element, the report shall state "Not Applicable?". The data tables outlined in Attachment [insert appropriate contract attachment number] shall be utilized as required herein and attached to the report.

(a) Incurred Costs:

(1) Summary: An incurred cost summary shall be reported by completing the ""Header"" and ""Invoice Summary"" tabs include in Attachment [insert appropriate contract attachment number].

(2) Labor: Incurred costs for labor shall be reported by completing the ""invoiced labor"" tab, and, if applicable, the ""If Individuals>Hourly Tripwire"" tab included in Attachment [insert appropriate contract attachment number]. Additional information regarding individual labor categories and fully burdened labor rates shall be provided upon request.

(3) Other Direct Costs (ODCs), including Travel and Material: Total fully burdened other direct costs shall be reported by completing the ""Invoice Summary"" tab included in Attachment [insert appropriate contract attachment number]. In addition, an itemized listing of the unburdened other direct charges, including travel and material, shall be provided. For material greater than \$3,000, the invoice number, date, total amount, company, purchase order number, and description of each item shall be included. For travel, the dates, names of individuals traveling, destination, purpose and total cost shall be outlined. A copy of the travel voucher with accompanying receipts shall be provided upon request. For material less than \$3,000, supplemental data shall be provided upon request. The report shall also include the following statements regarding ODCs and Labor: ""No fee has been applied to ODCs, and the applicable fee rate does not exceed that identified in NAVAIR Clause 5252.215-9512, Saving Clause.""

(b) Progress: A description of progress made during the invoice period by labor category shall be included in the report. At a minimum, the description shall include the following: deliverables completed and delivered, problem areas encountered, and any impacts on cost, technical and schedule."

(End of clause)"

NAVAIR 5252.247-9508 Prohibited Packing Materials (AUG 19) ("Applies if Seller will make shipments under this contract directly to the Government. Not applicable to Commercial Items as defined in FAR 2.101.

Clause Text: 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.

(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.

Clause Text: (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

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-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 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.