



LOCKHEED MARTIN CORPORATION

CORPDOC 4EDU

**GENERAL PROVISIONS FOR COST REIMBURSEMENT SUBCONTRACTS/PURCHASE ORDERS
FOR NON-COMMERCIAL ITEMS UNDER A U.S. GOVERNMENT PRIME CONTRACT (ALL AGENCIES)
PLACED WITH A COLLEGE, UNIVERSITY OR OTHER EDUCATIONAL INSTITUTION**

1. ACCEPTANCE OF CONTRACT/TERMS AND CONDITIONS

(a) This Contract integrates, merges, and supersedes any prior offers, negotiations, and agreements concerning the subject matter hereof and constitutes the entire agreement between the parties.

(b) SELLER's acknowledgment, acceptance of payment, or commencement of performance, shall constitute SELLER's unqualified acceptance of this Contract.

(c) Unless expressly accepted in writing by LOCKHEED MARTIN, additional or differing terms or conditions proposed by SELLER or included in SELLER's acknowledgment are objected to by LOCKHEED MARTIN and have no effect.

(d) The headings used in this Contract are inserted for the convenience of the parties and shall not define, limit, or describe the scope or the intent of the provisions of this Contract.

2. APPLICABLE LAWS

(a) This Contract and any matter arising out of or related to this Contract shall be governed by the laws of the State from which this Contract is issued by LOCKHEED MARTIN, without regard to its conflicts of laws provisions, except that any provision in this Contract that is (i) incorporated in full text or by reference from the Federal Acquisition Regulations (FAR) or (ii) incorporated in full text or by reference from any agency regulation that implements or supplements the FAR or (iii) that is substantially based on any such agency regulation or FAR provision, shall be construed and interpreted according to the federal common law of Government contracts as enunciated and applied by federal judicial bodies, boards of contracts appeals, and quasi-judicial agencies of the federal Government.

(b) SELLER, in the performance of this Contract, shall comply with all applicable local, state, and federal laws, orders, rules, regulations, and ordinances. SELLER shall procure all licenses/permits and pay all fees and other required charges. SELLER shall comply with all applicable guidelines and directives of any local, state, and/or federal governmental authority.

(c)(1) If: (i) LOCKHEED MARTIN's contract cost or fee is reduced; (ii) LOCKHEED MARTIN's costs are determined to be unallowable; (iii) any fines, penalties, or interest are assessed on LOCKHEED MARTIN; or (iv) LOCKHEED MARTIN incurs any other costs or damages; as a result of any violation of applicable laws, orders, rules, regulations, or ordinances by SELLER, its officers, employees, agents, suppliers, or subcontractors at any tier, LOCKHEED MARTIN may proceed as provided for in (3) below.

(2) Where submission of cost or pricing data is required or requested at any time prior to or during performance of this Contract, if SELLER or its lower-tier subcontractors: (i) submit and/or certify cost or pricing data that are defective; (ii) with notice of applicable cutoff dates and upon LOCKHEED MARTIN's request to provide cost or pricing data, submit cost or pricing data, whether certified or

not certified at the time of submission, as a prospective subcontractor, and any such data are defective as of the applicable cutoff date on LOCKHEED MARTIN's Certificate of Current Cost or Pricing Data; (iii) claim an exception to a requirement to submit cost or pricing data and such exception is invalid; (iv) furnish data of any description that is inaccurate; or if (v) the U.S. Government alleges any of the foregoing; and, as a result, (A) LOCKHEED MARTIN's Contract price or fee is reduced; (B) LOCKHEED MARTIN's costs are determined to be unallowable; (C) any fines, penalties, or interest are assessed on LOCKHEED MARTIN; or (D) LOCKHEED MARTIN incurs any other costs or damages; LOCKHEED MARTIN may proceed as provided for in paragraph (3) below.

(3) Upon the occurrence of any of the circumstances, other than withholdings, identified in paragraphs (1) and (2) above, LOCKHEED MARTIN may make a reduction of corresponding amounts (in whole or in part) in the costs and fee of this Contract or any other contract with SELLER, and/or may demand payment (in whole or in part) of the corresponding amounts. SELLER shall promptly pay amounts so demanded. Such sums shall not be considered allowable costs under any provision of the Contract. In the case of withholding(s), LOCKHEED MARTIN may withhold the same amount from SELLER under this Contract.

(d) SELLER represents that each chemical substance constituting or contained in Work sold or otherwise transferred to LOCKHEED MARTIN hereunder is on the list of chemical substances compiled and published by the Administrator of the Environmental Protection Administration pursuant to the Toxic Substances Control Act (15 U.S.C. Sec. 2601 et seq.) as amended. SELLER shall make available to LOCKHEED MARTIN all Safety Data Sheets for any material provided to LOCKHEED MARTIN, or brought or delivered to LOCKHEED MARTIN or its customer's premises in the performance of this Contract, as required by applicable law such as the Occupational Safety and Health Act of 1970 and regulations promulgated thereunder.

(e) Equal Opportunity for Vietnam Era Veterans' Readjustment Assistance Act (VEVRAA) Protected Veterans. (1) The clause at 41 CFR 60-300.5(a) is incorporated herein by reference. The clause applies if this Contract is for \$100,000 or more, unless exempted by the rules, regulations, or orders of the Secretary issued pursuant to VEVRAA. As used in the clause, "contractor" means "SELLER." This clause applies in addition to FAR 52.222-35 if included in this Contract. (2) **LOCKHEED MARTIN and SELLER shall abide by the requirements of 41 CFR 60-300.5(a). This regulation prohibits discrimination against qualified protected veterans, and requires affirmative action by covered prime contractors and subcontractors to employ and advance in employment qualified protected veterans.**

(f) Equal Opportunity for Workers with Disabilities. (1) The clause at 41 CFR 60-741.5 is incorporated herein by reference. The clause applies if this Contract is excess of \$10,000, unless exempted by the rules, regulations, or orders of the Secretary issued pursuant to section 503 of the act, as amended. As used in the clause, "contractor" means "SELLER." This clause applies in addition to FAR 52.222-36 if included in this Contract. (2) **LOCKHEED MARTIN and SELLER shall abide by the requirements of 41 CFR 60-741.5(a). This regulation prohibits discrimination against qualified individuals on the basis of disability, and requires affirmative action by covered prime contractors and subcontractors to employ and advance in employment qualified individuals with disabilities.**

3. ASSIGNMENT

Any assignment of SELLER's Contract rights or delegation of SELLER's duties shall be void, unless prior written consent is given by LOCKHEED MARTIN. Nevertheless, SELLER may assign rights to be paid amounts due, or to become due, to a financing institution if LOCKHEED MARTIN is promptly furnished a signed copy of such assignment reasonably in advance of the due date for payment of any such amounts. Amounts assigned shall be subject to setoff or recoupment for any present or future claims of LOCKHEED MARTIN against SELLER. LOCKHEED MARTIN shall have the right to make settlements and/or adjustments in price without notice to any assignee financing institution.

4. COMMUNICATION WITH LOCKHEED MARTIN CUSTOMER

SELLER shall not communicate with LOCKHEED MARTIN's customer or higher tier customer in connection with this Contract, except as expressly permitted by LOCKHEED MARTIN. This clause does not prohibit SELLER from communicating with the U.S. Government with respect to (1) matters SELLER is required by law to communicate to the Government, (2) an ethics or anticorruption matter, (3) any matter for which this Contract, including a FAR or FAR Supplement clause included in this Contract, provides for direct communication by SELLER to the Government, or (4) if SELLER is a small business concern, any material matter pertaining to payment or utilization..

5. CONTRACT DIRECTION

(a) Only the LOCKHEED MARTIN Procurement Representative has authority on behalf of LOCKHEED MARTIN to make changes to this Contract. All amendments must be identified as such in writing and executed by the parties.

(b) LOCKHEED MARTIN engineering and technical personnel may from time to time render assistance or give technical advice or discuss or effect an exchange of information with SELLER's personnel concerning the Work hereunder. No such action shall be deemed to be a change under the "Changes" clause of this Contract and shall not be the basis for equitable adjustment.

(c) Except as otherwise provided herein, all notices to be furnished by SELLER shall be in writing and sent to the LOCKHEED MARTIN Procurement Representative.

6. DEFINITIONS

The following terms shall have the meanings set forth below:

(a) "Contract" means the instrument of contracting, such as "Purchase Order", "PO", "Subcontract", or other such type designation, including these General Provisions, all referenced documents, exhibits and attachments. If these terms and conditions are incorporated into a "master" agreement that provides for releases, (in the form of a Purchase Order or other such document) the term "Contract" shall also mean the Release document for the Work to be performed.

(b) "FAR" means the Federal Acquisition Regulation, issued as Chapter 1 of Title 48, Code of Federal Regulations.

(c) "LOCKHEED MARTIN" means LOCKHEED MARTIN CORPORATION, acting through its companies or business units as identified on the face of this Contract. If a subsidiary or affiliate of LOCKHEED MARTIN CORPORATION is identified on the face of this Contract, then "LOCKHEED MARTIN" means that subsidiary or affiliate.

(d) "LOCKHEED MARTIN Procurement Representative" means a person authorized by LOCKHEED MARTIN's cognizant procurement organization to administer and/or execute this Contract.

(e) "SELLER" means the party identified on the face of this Contract with whom LOCKHEED MARTIN is contracting.

(f) "Work" means all required labor, articles, materials, supplies, goods, and services constituting the subject matter of this Contract.

7. DISPUTES

(a) All disputes under this Contract that are not disposed of by mutual agreement may be decided by recourse to an action at law or in equity. **Each party hereby irrevocably waives, to the fullest extent permitted by applicable law, any right it may have to a trial by jury in respect to any litigation directly or indirectly arising out of under or in connection with this Contract.**

(b) Until final resolution of any dispute hereunder, SELLER shall diligently proceed with the performance of this Contract as directed by LOCKHEED MARTIN.

8. ELECTRONIC CONTRACTING

The parties agree that if this Contract is transmitted electronically neither party shall contest the validity of this Contract, or any acknowledgement thereof, on the basis that this Contract or acknowledgement contains an electronic signature.

9. EXPORT CONTROL

(a) SELLER shall comply, and will ensure that its employees, faculty, graduate assistants, and students comply, with all applicable U.S. and non-U.S. export control and economic sanctions laws, rules and regulations, specifically including, but not limited to, the International Traffic in Arms Regulations ("ITAR"), 22 C.F.R. 120 et seq.; the Export Administration Regulations ("EAR"), 15 C.F.R. 730-774; the Foreign Assets Control Regulations, 31 C.F.R. 500-598; and EU controls on exports of dual-use items and technology implemented pursuant to Council Regulation (EC) No 428/2009 (collectively, "Trade Control Laws"). Without limiting the foregoing, SELLER shall not transfer any export controlled item, technical data, technology or services including transfers to foreign persons including its employees, faculty, graduate assistants, and students, or others under contract to SELLER or SELLER's lower-tier suppliers, unless authorized in advance by an export license, (e.g., Technical Assistance Agreement (TAA) or Manufacturing Licensing Agreement (MLA)), license exception or license exemption (collectively, "Export Authorizations"), as required.

(b) SELLER shall notify LOCKHEED MARTIN if any deliverable under this Contract is restricted by applicable Trade Control Laws. Before providing LOCKHEED MARTIN any item or data controlled under any of the Trade Control Laws, SELLER shall provide in writing to the LOCKHEED MARTIN Procurement Representative the export classification of any such item or controlled data (i.e. the export classification under the EAR, ITAR, EU List of Dual Use Items and Technology, Wassenaar Agreement's List of Dual-Use Goods and Technologies or other applicable export control list) and will notify the LOCKHEED MARTIN Procurement Representative in writing of any changes to the export classification information of the item, technical data or service. SELLER represents that an official authorized to bind the SELLER has determined that the SELLER or the designer, manufacturer, supplier or other source of the Work has properly determined their export classification.

(c) SELLER hereby represents that neither SELLER nor any parent, subsidiary or affiliate of SELLER is included on any of the restricted party lists maintained by the U.S. Government, including the Specially Designated Nationals List administered by the U.S. Treasury Department's Office of Foreign Assets Control ("OFAC"), Denied Parties List, Unverified List or Entity List maintained by the U.S. Commerce Department's Bureau of Industry and Security ("BIS") or the List of Statutorily Debarred Parties maintained by the U.S. State Department's Directorate of Defense Trade Controls, or the consolidated list of asset freeze targets designated by the United Nations, European Union, and United Kingdom (collectively, "Restricted Party Lists"). SELLER shall immediately notify the LOCKHEED MARTIN Procurement Representative if SELLER or any parent, subsidiary or affiliate of SELLER, becomes listed on any Restricted Party List or if SELLER's export privileges are otherwise denied, suspended or revoked in whole or in part by any U.S. or non-U.S. government entity or agency.

(d) If SELLER is engaged in the business of exporting, manufacturing (whether exporting or not) or brokering defense articles or furnishing defense services, SELLER represents that it is and will continue to be registered with the Directorate of Defense Trade Controls, as required by the ITAR, and it maintains an effective export/import compliance program in accordance with the ITAR.

(e) Where SELLER is a party to or signatory under a LOCKHEED MARTIN Export Authorization, SELLER shall provide prompt notification to the LOCKHEED MARTIN Procurement Representative in the event of (1) changed circumstances including, but not limited to, ineligibility, a violation or potential violation of the ITAR or other applicable government restrictions, and the initiation or existence of a U.S. Government investigation, that could affect SELLER's performance under this Contract, or (2) any change by SELLER that might require LOCKHEED MARTIN to submit an amendment to an existing Export Authorization or request a new or replacement Export Authorization. SELLER shall provide to LOCKHEED MARTIN all information and documentation as may reasonably be required for LOCKHEED MARTIN to prepare and submit any required Export Authorization applications. Delays on SELLER's part to submit the relevant information for export licenses shall not constitute an excusable delay under this Contract.

(f) SELLER shall include paragraphs (a) through (d) and this paragraph (f) of this clause or equivalent provisions in lower tier subcontracts for the delivery of items that will be included in or delivered as Work to LOCKHEED MARTIN. SELLER shall immediately notify LOCKHEED MARTIN upon learning that any lower tier subcontractor with which it engages has become listed on the Restricted Parties List.

10. EXTRAS

Work shall not be supplied in excess of quantities specified in this Contract. SELLER shall be liable for handling charges and return shipment costs for any excess quantities.

11. FEE (Applicable only if this Contract includes a fee.)

LOCKHEED MARTIN shall pay SELLER for performing this Contract the fee as specified in this Contract.

12. FOREIGN SOURCES/FOREIGN PERSONS

(a) SELLER acknowledges that equipment, technical data or other materials generated or delivered in performance of this Contract may be controlled by applicable Trade Control Laws and may require an Export Authorization prior to transfer or release to a foreign person, as defined under the relevant Trade Control Laws ("Foreign Persons") or assigning any Foreign Person to perform Work under this Contract. Access to equipment, technical data or other materials generated or delivered in performance of this Contract shall not be granted to any Foreign Person unless LOCKHEED MARTIN has approved same in writing.

(b) SELLER shall notify LOCKHEED MARTIN ten (10) working days prior to (i) applying for an Export Authorization or before solicitation of foreign sources or use of Foreign Person resources (whichever shall occur first) if SELLER anticipates utilizing Foreign Persons or sources for any Work under this Contract; or (ii) assigning or granting access to a Foreign Person to any Work, equipment, technical data or material generated or delivered in performance of this Contract. This notification will include the name and country of origin of the Foreign Person, physical location of the Foreign Person, a detailed description of the specific Work, equipment, data or material to which the Foreign Person will have access and a copy of the relevant export license, if such an application has been made. This notification to LOCKHEED MARTIN shall not be construed as an application for an export license, nor shall it in any way be interpreted to impede SELLER's right to apply for an export license. However, if LOCKHEED MARTIN disagrees with the application, SELLER will be so notified.

(c) SELLER shall provide LOCKHEED MARTIN with a Technology Control Plan (TCP) detailing how SELLER will protect LOCKHEED MARTIN technical data from disclosure to Foreign Persons.

13. FURNISHED PROPERTY

(a) LOCKHEED MARTIN may, by written authorization, provide to SELLER property owned by either LOCKHEED MARTIN or its customer (Furnished Property). Furnished Property shall be used only for the performance of this Contract.

(b) Title to Furnished Property shall remain in LOCKHEED MARTIN or its customer. SELLER shall clearly mark (if not so marked) all Furnished Property to show its ownership.

(c) Except for reasonable wear and tear, SELLER shall be responsible for, and shall promptly notify LOCKHEED MARTIN of, any loss or damage to Furnished Property. Without additional charge, SELLER shall manage, maintain, and preserve Furnished Property in accordance with applicable law, the requirements of this Contract and good commercial practice.

(d) At LOCKHEED MARTIN's request, and/or upon completion of this Contract, SELLER shall submit, in an acceptable form, inventory lists of Furnished Property and shall deliver or make such other disposal as may be directed by LOCKHEED MARTIN.

(e) The Government Property Clause contained in this Contract shall apply in lieu of paragraphs (a) through (d) above with respect to Government-furnished property, or property to which the Government may take title under this Contract.

14. GRATUITIES/KICKBACKS

(a) SELLER shall not offer or give a kickback or gratuity (in the form of entertainment, gifts, or otherwise) for the purpose of obtaining or rewarding favorable treatment as a LOCKHEED MARTIN supplier.

(b) By accepting this Contract, SELLER certifies and represents that it has not made or solicited and will not make or solicit kickbacks in violation of FAR 52.203-7 or the Anti-Kickback Act of 1986 (41 USC 51-58), both of which are incorporated herein by this specific reference, except that paragraph (c)(1) of FAR 52.203-7 shall not apply.

15. INDEPENDENT CONTRACTOR RELATIONSHIP

SELLER is an independent contractor in all its operations and activities hereunder. The employees used by SELLER to perform Work under this Contract shall be SELLER's employees exclusively without any relation whatsoever to LOCKHEED MARTIN.

16. INFORMATION OF LOCKHEED MARTIN

(a) Information provided by LOCKHEED MARTIN to SELLER remains the property of LOCKHEED MARTIN. SELLER shall comply with the terms of any proprietary information agreement with LOCKHEED MARTIN and comply with all proprietary information markings and restrictive legends applied by LOCKHEED MARTIN to anything provided hereunder to SELLER. SELLER shall not use any LOCKHEED MARTIN provided information for any purpose except to perform this Contract and shall not disclose such information to third parties without the prior written consent of LOCKHEED MARTIN. SELLER shall maintain data protection processes and systems sufficient to adequately protect LOCKHEED MARTIN provided information and comply with any law or regulation applicable to such information.

(b) If SELLER becomes aware of any compromise of information provided by LOCKHEED MARTIN to SELLER, its officers, employees, agents, suppliers, or subcontractors (an "Incident"), SELLER shall take appropriate immediate actions to investigate and contain the Incident and any associated risks, including prompt notification to LOCKHEED MARTIN after learning of the Incident. As used in this Section, "compromise" means that any information provided by LOCKHEED MARTIN has been exposed to unauthorized access, inadvertent disclosure, known misuse, loss, destruction, or alteration other than as required to perform the Work. SELLER shall provide reasonable cooperation to LOCKHEED MARTIN in conducting any investigation regarding the nature and scope of any Incident. Any costs incurred in investigating or remedying Incidents shall be borne by SELLER.

(c) Any LOCKHEED MARTIN provided information identified as proprietary or subject to restrictions on public disclosure by law or regulation shall be encrypted (i) if transmitted via the Internet, or (ii) during electronic storage if potentially accessible by the Internet or otherwise by non-authorized users.

(d) The provisions set forth above are in addition to and do not alter, change or supersede any obligations contained in a proprietary information agreement between the parties.

(e) Unclassified controlled DoD information shall be governed by DFARS 252.204-7012 if this Contract contains said clause.

17. INFORMATION OF SELLER

SELLER shall not provide any proprietary information to LOCKHEED MARTIN without prior execution of a proprietary information agreement by the parties.

18. INTELLECTUAL PROPERTY

(a) All intellectual property, including but not limited to inventions, improvements, data and computer software, developed in performance of the Work under this Contract (i) jointly by employees of LOCKHEED MARTIN and employees and students who perform the Work of SELLER (hereinafter "Researchers") shall be jointly owned without any obligation of accounting to each other, (ii) solely by Researchers of SELLER shall be owned by SELLER, and (iii) solely by employees of LOCKHEED MARTIN shall be owned by LOCKHEED MARTIN.

(b) SELLER shall promptly submit a complete written disclosure to LOCKHEED MARTIN of each invention made by SELLER Researchers, at least within one month of receipt of a corresponding disclosure from its inventor(s), specifically pointing out the features or concepts which SELLER believes to be patentable. SELLER represents that its Researchers are obligated to promptly submit invention disclosures to SELLER. Should LOCKHEED MARTIN directly receive from a SELLER Researcher a written invention disclosure that identifies this Contract, LOCKHEED MARTIN shall promptly provide to SELLER a copy of the invention disclosure.

(c)(1) SELLER hereby grants to LOCKHEED MARTIN a non-exclusive, worldwide, royalty-free, paid-up license to make, have made for LOCKHEED MARTIN (with right to sublicense), use, sell, offer for sale, import, reproduce, make derivative works from, distribute and otherwise practice SELLER-owned intellectual property developed under this Contract for the purposes of performing any U.S. Government contract obligation. SELLER hereby grants to LOCKHEED MARTIN the first right to negotiate such additional intellectual property rights in the SELLER-owned intellectual property developed under this Contract as LOCKHEED MARTIN may require, including exclusive licenses in the fields of use of U.S. and foreign government and military applications or exclusive licenses for other purposes in the SELLER-owned intellectual property developed under this Contract. LOCKHEED MARTIN shall indicate its intention to exercise its option to exclusively license by notifying SELLER in writing within twelve (12) months of the completion of this Contract. If LOCKHEED MARTIN decides to exercise its option, the terms shall be negotiated in good faith within one hundred twenty (120) days of the date the option is exercised, or within such time as the LOCKHEED MARTIN and SELLER may agree in

writing. LOCKHEED MARTIN and SELLER shall enter into good faith negotiations for such purposes for establishing a mutually acceptable royalty. LOCKHEED MARTIN understands that SELLER may be involved in similar research through other researchers on behalf of itself and others. SELLER shall be free to continue such research provided that it is conducted separately and by different investigators from those performing the Work under this Contract and LOCKHEED MARTIN shall not gain any rights via this Contract to other research.

(2) To the extent that LOCKHEED MARTIN requires a license to avoid infringing previously existing SELLER-owned intellectual property in order to (i) practice any license received for SELLER-owned intellectual property developed in performance of the Work under this Contract or (ii) exercise its rights in any jointly owned intellectual property developed in the performance of the Work under this Contract, SELLER hereby grants to LOCKHEED MARTIN a worldwide, royalty-free, paid-up, non-exclusive license in this Contract to practice such previously existing SELLER-owned intellectual property only to the extent necessary for LOCKHEED MARTIN to freely exercise its rights provided in this Contract to and in the SELLER-owned intellectual property and jointly owned intellectual property developed in performance of the Work under this Contract. In the event LOCKHEED MARTIN requires additional license rights in previously existing SELLER-owned intellectual property, SELLER hereby grants LOCKHEED MARTIN an option to negotiate such additional rights as LOCKHEED MARTIN may require with such to be exercisable within the time frames set forth in paragraph (c)(1).

(d) In performing the Work or any services under this Contract, SELLER shall use professional skills that accord with the current state of the technology that is the subject of the Work and all reasonable efforts under the circumstances to avoid knowingly infringing any intellectual property, including without limitation one or more patents of any third party or any third party copyright rights, or misappropriating any trade secrets. If SELLER becomes aware of any potential infringement and/or misappropriation during the course of performing the Work or any other services hereunder, SELLER shall promptly notify LOCKHEED MARTIN in writing and LOCKHEED MARTIN will reasonably assist SELLER in responding to any such potential infringement and/or misappropriation, including but not limited to assisting in a defense of any legal actions arising from such potential infringement and/or misappropriation at SELLER's expense.

(e) LOCKHEED MARTIN and SELLER agree to cooperate with each other in executing applications, assignments, license agreements and other papers that may be necessary to establish and protect such intellectual property rights developed hereunder. SELLER shall provide a source code copy, together with all relevant documentation, of the final version of all software developed in performance of the Work; provided that use of such source code is subject to the use and licensing requirements described in paragraphs (a) through (c).

(f) Except as specifically provided above, nothing contained in this Contract shall be deemed to grant either directly or by implication, estoppel, or otherwise, any license under any existing rights of intellectual property owned by either party hereto, their employees, and/or their agents.

19. OFFSET CREDIT/COOPERATION

This Contract has been entered into in direct support of LOCKHEED MARTIN's international offset programs. All offset benefit credits resulting from this Contract are the sole property of LOCKHEED MARTIN to be applied to the offset program of its choice. SELLER shall assist LOCKHEED MARTIN in securing appropriate offset credits from the respective country government authorities.

20. PACKING AND SHIPMENT

(a) Unless otherwise specified, all Work is to be packed in accordance with good commercial practice.

(b) A complete packing list shall be enclosed with all shipments. SELLER shall mark containers or packages with necessary lifting, loading, and shipping information, including the LOCKHEED MARTIN Contract number, item number, dates of shipment, and the names and addresses of consignor and consignee. Bills of lading shall include this Contract number.

(c) Unless otherwise specified, delivery shall be FOB Place of Shipment.

21. PAYMENTS, TAXES, AND DUTIES

(a) Unless otherwise provided, terms of payment shall be net 30 days from the latest of the following: (i) LOCKHEED MARTIN's receipt of SELLER's proper invoice; (ii) scheduled delivery date of the Work; or (iii) actual delivery of the Work.

(b) Each payment made shall be subject to reduction to the extent of amounts which are found by LOCKHEED MARTIN or SELLER not to have been properly payable, and shall also be subject to reduction for overpayments. SELLER shall promptly notify LOCKHEED MARTIN of any such overpayments and remit the amount of the overpayment except as otherwise directed by LOCKHEED MARTIN.

(c) LOCKHEED MARTIN shall have a right of setoff against payments due or at issue under this Contract or any other contract between the parties.

(d) Payment shall be deemed to have been made as of the date of mailing LOCKHEED MARTIN's payment or electronic funds transfer.

22. PRECEDENCE

Any inconsistencies in this Contract shall be resolved in accordance with the following descending order of precedence: (1) face of the Purchase Order and/or Task Order, release document, or schedule (including any continuation sheets), as applicable, including any special terms and conditions; (2) this CorpDoc and any supplementary CorpDoc invoked in this Contract (CorpDoc A, B, C, D or E series); and (3) the Statement of Work.

23. PRIORITY RATING

If so identified, this Contract is a "rated order" certified for national defense, emergency preparedness, and energy program use, and SELLER shall follow all the requirements of the Defense Priorities and Allocation System Regulation (15 C.F.R. Part 700).

24. RELEASE OF INFORMATION

SELLER and its subcontractors shall not, without the prior written consent of LOCKHEED MARTIN, disclose any information of any nature whatsoever relative to this Contract except as may be required to ensure performance or is required by law. SELLER shall not use "Lockheed Martin," "Lockheed Martin Corporation" or any other name, trademark or logo owned by LOCKHEED MARTIN, in whatever shape or form, without the prior written consent of LOCKHEED MARTIN. LOCKHEED MARTIN recognizes that SELLER may wish to publish, for example in a lecture or in a scientific journal, certain of the Contract results and LOCKHEED MARTIN agrees that it will not, after being given the opportunity to examine the relevant draft, prevent such publication in accordance with normal academic custom, provided that: (a) it may be necessary for such publication to be delayed in order not to prejudice the obtaining or validity of intellectual property rights in any country of the world, and (b) such results or information shall not include any information that LOCKHEED MARTIN deems proprietary or confidential. Any delay in publication shall not exceed ninety (90) days from the date LOCKHEED MARTIN receives a copy of the proposed publication.

25. RETENTION OF RECORDS

Unless a longer period is specified in this Contract or by law or regulation, SELLER shall retain all records related to this Contract for four (4) years from the date of final payment received by SELLER. Records related to this Contract include, but are not limited to, financial, proposal, procurement, specifications, production, inspection, test, quality, shipping and export, and certification records. At no additional cost, SELLER shall timely provide access to such records to the US Government and/or LOCKHEED MARTIN upon request.

26. SELLER BUSINESS SYSTEMS

"SELLER Business Systems" as used in this clause means SELLER's material management and accounting system, cost estimating system, accounting system, earned value management system, property management system, and purchasing system. If SELLER's Business Systems are reviewed and approved by a Government agency, SELLER shall provide prompt notice to LOCKHEED MARTIN whenever there is a material change in the status of the Government's approval or determination of adequacy of any of SELLER's Business Systems.

27. SEVERABILITY

Each clause, paragraph and subparagraph of this Contract is severable, and if one or more of them are declared invalid, the remaining provisions of this Contract will remain in full force and effect.

28. SURVIVABILITY

If this Contract expires, is completed, or is terminated, SELLER shall not be relieved of those obligations contained in the following clauses:

- Applicable Laws
- Electronic Contracting
- Export Control
- Independent Contractor Relationship
- Information of Lockheed Martin
- Intellectual Property
- Release of Information
- Retention of Records
- Use of Free, Libre and Open Source Software (FLOSS)
- U. S. Government flowdown clauses and provisions that by their nature should survive.

29. TIMELY PERFORMANCE

(a) SELLER's timely performance is a critical element of this Contract.

(c) If SELLER becomes aware of an impending labor dispute involving SELLER or any lower tier subcontractor, or any other difficulty in performing the Work, SELLER shall timely notify LOCKHEED MARTIN, in writing, giving pertinent details. This notification shall not change any delivery schedule.

30. TRAVEL COSTS

(a) All travel incurred by SELLER in the performance of this Contract shall not be reimbursed by LOCKHEED MARTIN unless such travel is expressly authorized in writing in advance by LOCKHEED MARTIN's Procurement Representative.

(b) When travel is authorized under this Contract, SELLER shall be reimbursed for necessary, reasonable, and actual travel expenses for transportation, lodging, meals and incidental expenses only to the extent that they (1) do not exceed the maximum per diem rate in effect at the time of travel, as set forth in the United States Federal Travel Regulations for the area of travel authorized under this Contract and (2) are otherwise reimbursable pursuant to the Allowable Cost and Payment clause of this Contract. Air travel shall be reimbursed for coach class only. Lodging expenses are reimbursable only where incurred from establishments serving the general public.

(c) SELLER shall provide a detailed summary of all such costs by category of expense with each invoice. SELLER shall provide a legible receipt for each claimed individual expense exceeding \$75.00.

31. USE OF FREE, LIBRE AND OPEN SOURCE SOFTWARE (FLOSS)

(a) This clause only applies to Work that includes the delivery of software (including software residing on hardware).

(b) SELLER shall disclose to LOCKHEED MARTIN in writing any FLOSS that will be used or delivered in connection with this Contract and shall obtain LOCKHEED MARTIN's prior written consent before using or delivering such FLOSS in connection with this Contract. LOCKHEED MARTIN may withhold such consent in its sole discretion. SELLER warrants all FLOSS used or delivered in connection with this Contract complies with any applicable FLOSS License.

(c) As used herein, "FLOSS License" means the General Public License ("GPL"), Lesser/Library GPL, (LGPL), the Affero GPL (APL), the Apache license, the Berkeley Software Distribution ("BSD") license, the MIT license, the Artistic License (e.g., PERL), the Mozilla Public License (MPL), or variations thereof, including without limitation licenses referred to as "Free Software License", "Open Source License", "Public License", or "GPL Compatible License."

(d) As used herein, "FLOSS" means software that incorporates or embeds software in, or uses software in connection with, as part of, bundled with, or alongside any (1) open source, publicly available, or "free" software, library or documentation, or (2) software that is licensed under a FLOSS License, or (3) software provided under a license that (a) subjects the delivered software to any FLOSS License, or (b) requires the delivered software to be licensed for the purpose of making derivative works or be redistributable at no charge, or (c) obligates LOCKHEED MARTIN to sell, loan, distribute, disclose or otherwise make available or accessible to any third party (i) the delivered software, or any portion thereof, in object code and/or source code formats, or (ii) any products incorporating the delivered software, or any portion thereof, in object code and/or source code formats.

32. USE OF DELIVERABLE TECHNICAL DATA AND COMPUTER SOFTWARE

(a) This clause applies only to technical data or computer software delivered by SELLER to LOCKHEED MARTIN under this Contract.

(b) As used in this clause "Nonconforming Marking" means any confidential, proprietary, or other restrictive-use markings that are not expressly permitted by applicable FAR, DFARS, NASA FAR Supplement or other U.S. Government agency acquisition clauses incorporated into this Contract. SELLER shall not deliver technical data or computer software that contains Nonconforming Markings. On behalf of the Government, LOCKHEED MARTIN may notify SELLER of such a Nonconforming Marking. If SELLER fails to remove or correct such marking within sixty (60) days after such notification, LOCKHEED MARTIN may, notwithstanding any other

provision of this Contract, ignore or, at SELLER's expense, remove or obliterate any such Nonconforming Marking as may be on technical data or computer software delivered by SELLER.

33. WAIVERS, APPROVALS, AND REMEDIES

(a) Failure by either party to enforce any of the provisions of this Contract or applicable law shall not constitute a waiver of the requirements of such provisions or law, or as a waiver of the right of a party thereafter to enforce such provision or law.

(b) LOCKHEED MARTIN's approval of documents shall not relieve SELLER of its obligation to comply with the requirements of this Contract.

(c) The rights and remedies of either party in this Contract are cumulative and in addition to any other rights and remedies provided by law or in equity.

34. WORK ON LOCKHEED MARTIN AND THIRD PARTY PREMISES

(a) "Premises" as used in this clause means premises of LOCKHEED MARTIN, its customers, or other third parties where Work is being performed.

(b) SELLER shall ensure that SELLER personnel working on Premises comply with any on-premises policies and: (i) do not bring weapons of any kind onto Premises; (ii) do not manufacture, sell, distribute, possess, use or be under the influence of controlled substances or alcoholic beverages while on Premises; (iii) do not possess hazardous materials of any kind on Premises without LOCKHEED MARTIN's authorization; (iv) remain in authorized areas only; (v) do not conduct any non-LOCKHEED MARTIN related business activities (such as interviews, hirings, dismissals or personal solicitations) on Premises, (vi) do not send or receive non-LOCKHEED MARTIN related mail through LOCKHEED MARTIN's or third party's mail systems; (vii) do not sell, advertise or market any products or memberships, distribute printed, written or graphic materials on Premises without LOCKHEED MARTIN's written permission or as permitted by law; and (viii) follow instruction from LOCKHEED MARTIN in the event of an actual or imminent safety or environmental hazard on Premises.

(c) All persons, property, and vehicles entering or leaving Premises are subject to search.

(d) SELLER shall promptly notify LOCKHEED MARTIN and provide a report of any accidents or security incidents involving loss of or misuse or damage to LOCKHEED MARTIN, customer, or third party intellectual or physical assets, and all physical altercations, assaults, or harassment.

(e)(1) Prior to entry on Premises, SELLER shall coordinate with LOCKHEED MARTIN to gain access. SELLER shall provide information reasonably required by LOCKHEED MARTIN to ensure proper identification of personnel, including, but not limited to verification of citizenship, lawful permanent resident status, protected individual or other status.

(2) SELLER personnel requiring unescorted access to Premises shall, prior to entry, be screened by SELLER at no charge to LOCKHEED MARTIN through the LOCKHEED MARTIN Contractor Screen Program, or otherwise screened by SELLER in a manner satisfactory to LOCKHEED MARTIN.

(f) SELLER shall ensure that SELLER personnel: (i) do not remove LOCKHEED MARTIN, customer, or third party assets from Premises without LOCKHEED MARTIN authorization; (ii) use LOCKHEED MARTIN, customer, or third party assets only for purposes of this Contract; (iii) only connect with, interact with or use computer resources, networks, programs, tools or routines authorized by



LOCKHEED MARTIN; and (iv) do not share or disclose user identifiers, passwords, cipher keys or computer dial port telephone numbers. LOCKHEED MARTIN may periodically audit SELLER's data residing on LOCKHEED MARTIN, customer, or third party assets on Premises.

(g) LOCKHEED MARTIN may, at its sole discretion, have SELLER remove any specified employee of SELLER from Premises and require that such employee not be reassigned to any Premises under this Contract.

(h) Violation of this clause may result in termination of this Contract in addition to any other remedy available to LOCKHEED MARTIN at law or in equity. SELLER shall reimburse LOCKHEED MARTIN, customer, or third party for any unauthorized use of LOCKHEED MARTIN, customer, or third party assets.

(i) SELLER shall advise the LOCKHEED MARTIN Procurement Representative of any unauthorized direction or course of conduct.

(j) SELLER shall immediately report to LOCKHEED MARTIN all emergencies (e.g., medical, fire, spills or release of any hazardous material) and non-emergency incidents (e.g., job-related injuries or illnesses) affecting the Work. SELLER shall provide LOCKHEED MARTIN with a copy of any reports of such incidents SELLER makes to governmental authorities.