



Contents

- 1. DEFINITIONS
- 2. NON-EMPLOYEE
- 3. EMPLOYMENT OFFERS
- 4. PRICE WARRANTY
- 5. REPORTS
- 6. PROPRIETARY DATA AND PATENTS
- 7. REPRODUCTION OF DATA
- 8. EXPORT OF TECHNICAL DATA
- 9. MILITARY SECURITY REQUIREMENTS
- 10. SUBCONTRACTS
- 11. ASSIGNMENT
- 12. EXAMINATION OF RECORDS
- 13. TERMINATION FOR CONVENIENCE OF LOCKHEED MARTIN
- 14. DEFAULT
- 15. LIABILITY
- 16. APPLICABLE LAWS
- 17. DISPUTES
- 18. LEGAL ACTION AND INTEREST
- 19. LIMITS OF CONTRACT

1. DEFINITIONS

As used throughout this Contract, the following terms shall have the meanings set forth below:

- (a) "LOCKHEED MARTIN" means Lockheed Martin Corporation acting through its duly authorized Subcontract Representative.
- (b) "Government" means the United States Government or any department or agency thereof.
- (c) "Prime Contract" means a Contract (identified by a Government contract number in the Schedule of this Contract) between LOCKHEED MARTIN and the Government, which this Contract is entered into to support.
- (d) "Contracting Officer" means any officer or civilian employee of the Government who is properly designated and duly authorized to act as a Contracting Officer for the Prime Contract under which this Contract is made. The term includes the authorized representative of a Contracting Officer acting within the limits of his authority.
- (e) "CONTRACTOR" means the individual, partnership, corporation, or association contracting to perform the work hereunder.

2. NON-EMPLOYEE

It is understood and agreed that CONTRACTOR is an independent contractor, and is not an employee of LOCKHEED MARTIN. The CONTRACTOR is entitled to no LOCKHEED MARTIN employee benefits or privileges nor any other payment from LOCKHEED MARTIN, except such payments as are set forth in the Schedule of this Contract.

3. EMPLOYMENT OFFERS

CONTRACTOR shall not itself, nor through its agents or representatives, make any offers of employment to employees of LOCKHEED MARTIN during the period of performance of the Contract. CONTRACTOR shall, if approached by an employee of LOCKHEED MARTIN regarding possible employment of the CONTRACTOR, report any such incident to the LOCKHEED MARTIN Subcontract Representative designated herein.

4. PRICE WARRANTY

The CONTRACTOR warrants that the prices and rates stated herein represent currently established prices and rates and are no higher than would be charged to any other customer, whether commercial or an agency of the United States Government for similar services in like quantities.

5. REPORTS

The CONTRACTOR shall submit written activity reports in letter format to LOCKHEED MARTIN with each invoice for payment submitted under this Contract describing in reasonable detail specific items of work accomplished during the preceding reporting period. Such reports shall include but should not be limited to the hours spent on each task, persons visited and subjects discussed, meeting minutes, trip reports and collateral memoranda. Upon completion of this Contract, the CONTRACTOR shall submit a cumulative final report summarizing all work accomplished during the Contract performance period.

6. PROPRIETARY DATA AND PATENTS

- (a) The CONTRACTOR hereby agrees not to disclose to others without the prior written consent of LOCKHEED MARTIN, or except as the CONTRACTOR's duties under this Contract may without question require, either during or subsequent to the term of this Contract, any information, knowledge, or data of LOCKHEED MARTIN which during the term of this Contract CONTRACTOR may receive from LOCKHEED MARTIN or have access to or which may otherwise be disclosed or made available to CONTRACTOR, including proprietary or confidential information of LOCKHEED MARTIN or of others which has come into LOCKHEED MARTIN's or CONTRACTOR's possession (hereinafter "LOCKHEED MARTIN INFORMATION"). LOCKHEED MARTIN INFORMATION comprises, but is not limited to, business plans, marketing information, cost estimates, forecasts, bid and proposal data, financial data, formulae, compositions, products, processes, procedures, inventions, systems or designs.
- (b) The CONTRACTOR agrees that LOCKHEED MARTIN INFORMATION shall not be used for any purpose whatsoever except for the sole purpose of the performance of CONTRACTOR's duties under this Contract. The CONTRACTOR further agrees that except as may strictly be required by the CONTRACTOR's obligations under this Contract, the CONTRACTOR will not reproduce, nor allow any third party to use or reproduce, any LOCKHEED MARTIN INFORMATION or any documents or other material containing LOCKHEED MARTIN INFORMATION.

- (c) The CONTRACTOR may not release any information, or confirmation or denial of same, with respect to this Contract or subject matter thereof, without the prior coordination and express written approval of LOCKHEED MARTIN. Such information releases include, but are not limited to news releases, advertisements, brochures, and the like.
- (d) All materials to which the CONTRACTOR had access, or furnished or otherwise made available by LOCKHEED MARTIN to the CONTRACTOR shall be and remain the property of LOCKHEED MARTIN. Upon expiration or termination of this Contract or upon the request of LOCKHEED MARTIN, CONTRACTOR shall return to LOCKHEED MARTIN all such materials, documents and information, including any LOCKHEED MARTIN INFORMATION and all reproductions thereof, then in CONTRACTOR's possession or control, and the CONTRACTOR shall promptly surrender all information or proprietary data developed by CONTRACTOR in connection with this Contract, unless the retention of the information or proprietary data is authorized in writing by LOCKHEED MARTIN.
- (e) The CONTRACTOR's obligations of confidentiality under this Contract shall survive termination or expiration of this Contract for eight (8) years from the date thereof.
- (f) The CONTRACTOR shall promptly and fully disclose to LOCKHEED MARTIN any and all intellectual property including:
 - (1) Any trademarks, inventions and technological innovations, patentable or unpatentable;
 - (2) Copyrightable works, including software;
 - (3) Marketing or business plans, forecasts, proposals, and the like, which are conceived, developed, created, or reduced to practice by CONTRACTOR in connection with services performed for LOCKHEED MARTIN hereunder, without further consideration.

Such intellectual property shall be the sole and exclusive property of LOCKHEED MARTIN, and the CONTRACTOR shall perform all acts and execute all documents necessary or desirable to perfect LOCKHEED MARTIN's rights in and title to any such intellectual property.

7. REPRODUCTION OF DATA

The CONTRACTOR agrees to and does hereby grant to LOCKHEED MARTIN the right to reproduce, use and dispose of all or any part of the reports, drawings, blueprints, data, computer software and technical information delivered to LOCKHEED MARTIN in the performance of this Contract. All such reports, drawings, blueprints, data, computer software and technical information are the sole property of LOCKHEED MARTIN. The CONTRACTOR warrants that it has good title to all such data and information, and agrees to indemnify and hold LOCKHEED MARTIN, its customers and all persons claiming under LOCKHEED MARTIN harmless from trade secret, trademark, and copyright infringement, liability for invasion of the right of privacy, and similar claims by third parties, including all damages, costs, expenses and attorneys' fees arising out of such liability or alleged liability.

8. EXPORT OF TECHNICAL DATA

- (a) The CONTRACTOR represents and warrants that no technical data furnished to it by LOCKHEED MARTIN or developed by the CONTRACTOR during performance of the work under the Contract shall be disclosed to any foreign national, firm, or country, including foreign nationals employed by or associated with United States, without first complying with all requirements of the International Traffic in Arms Regulation, 22 C.F.R. section 120 et seq., the Export Administration Act, 28 U.S.C. section 2778 et seq., and DOD Directive 5230.25, "Withholding of Unclassified Technical Data From Public Disclosure," 32 C.F.R. section 250, including the requirement for obtaining any export license, if applicable.
- (b) The CONTRACTOR shall first obtain the written consent of LOCKHEED MARTIN prior to submitting any request for authority to export any such technical data.
- (c) The CONTRACTOR shall indemnify and hold LOCKHEED MARTIN harmless for all claims, demands, damages, costs, fines, penalties, attorneys' fees and all other expenses arising from failure of the CONTRACTOR to comply with this clause.

9. MILITARY SECURITY REQUIREMENTS

- (a) The provisions of the following paragraphs of this clause shall apply to the extent that this Contract involves access to security information classified "Top Secret", "Secret", or "Confidential".
- (b) The CONTRACTOR:
 - (1) Shall be responsible for safeguarding all classified security information in accordance with all applicable laws and regulations (including the Department of Defense Industrial Security Manual for Safeguarding Classified Information, DOD 5220.22-M), and any instructions furnished by LOCKHEED MARTIN.
 - (2) Shall not supply, disclose, or otherwise permit access to classified security information to any unauthorized person.
 - (3) Shall not make or permit to be made any reproductions of classified information, except with the prior written authorization of LOCKHEED MARTIN.
 - (4) Shall submit to LOCKHEED MARTIN at such times as LOCKHEED MARTIN may direct, an accounting of all reproductions of information classified "Top Secret", "Secret", or "Confidential".
 - (5) Shall not incorporate in any other project any matter which will disclose classified security information except with prior written authorization of LOCKHEED MARTIN.
- (c) Except with the prior written consent of LOCKHEED MARTIN, the CONTRACTOR shall not permit any foreign national to have access to classified security information.
- (d) The CONTRACTOR agrees to submit immediately to LOCKHEED MARTIN a complete report of any information which the CONTRACTOR may have concerning existing or threatened espionage, sabotage, or subversive activity.

10. SUBCONTRACTS

No subcontract shall be made with any other party for furnishing any of the work or services provided for in this Contract, without the prior written consent of LOCKHEED MARTIN.

11. ASSIGNMENT

Neither this Contract nor any claim arising hereunder shall be transferred or assigned by the CONTRACTOR without the prior written consent of LOCKHEED MARTIN, and any attempted such assignment without consent shall be void.

12. EXAMINATION OF RECORDS

- (a) The CONTRACTOR agrees that its books and records, or such parts thereof as may be engaged in the performance of this Contract, shall at all reasonable times until three (3) years after final payment hereunder be subject to inspection and audit by any authorized representative of LOCKHEED MARTIN and/or the U.S. Government.
- (b) The CONTRACTOR agrees to submit upon the request of LOCKHEED MARTIN's Subcontract Representative a Release of Claims upon final payment under the Contract.

13. TERMINATION FOR CONVENIENCE OF LOCKHEED MARTIN

- (a) This Contract may be terminated in whole or in part for the convenience of LOCKHEED MARTIN at any time within the period of its duration, upon written notice by LOCKHEED MARTIN to the CONTRACTOR.
- (b) After receipt of a Notice of Termination, the CONTRACTOR shall:
 - (1) Discontinue all work to the extent and on the date specified in such notice, and
 - (2) Transfer title and deliver to LOCKHEED MARTIN, in the manner, to the extent, and at the time directed by LOCKHEED MARTIN, the completed and partially completed work, material, plans, drawings, data, information, reports and other property produced as a part of, or acquired in connection with the performance of, the work terminated in such Notice.
- (c) Upon termination of work as provided in this clause the CONTRACTOR shall be paid for services rendered, at the rates set forth in the Schedule, and shall be reimbursed cost authorized to be incurred under the Contract, up to the effective date of such notice.

14. DEFAULT

LOCKHEED MARTIN may terminate this Contract upon the material breach by the CONTRACTOR of any provision hereunder. Upon the occurrence of a default, the CONTRACTOR shall pay all costs, damages, claims, expenses, fines and penalties arising from or caused by such default, whether such damages are direct or indirect, incidental or consequential, including but not limited to all of LOCKHEED MARTIN's court costs and attorneys' fees.

This contract shall terminate immediately and all payments due shall be forfeited if, in rendering services hereunder, improper payments are made, unlawful conduct is engaged in, or any part or the fee or expenses payable under this contract is used for an illegal purpose.

15. LIABILITY

The CONTRACTOR agrees to indemnify and hold LOCKHEED MARTIN and its customers harmless from all costs, claims, expenses, damages and liability caused or incurred by the CONTRACTOR arising out of, or in connection with the performance of this Contract.

16. APPLICABLE LAWS

This Contract shall be governed by, subject to, and construed according to the laws of the State of Colorado. The CONTRACTOR shall comply with all applicable federal, state, and local laws and regulations. The CONTRACTOR consents to the jurisdiction and venue of the courts of the State of Colorado with respect to any legal action commenced therein.

17. DISPUTES

In the event that any dispute arising under or relating to this Contract cannot be resolved by settlement between the parties, either party may litigate any such dispute in any court of competent jurisdiction. Pending resolution of any such dispute by settlement or by final judgment, the CONTRACTOR shall proceed diligently with performance of this Contract, and shall comply with LOCKHEED MARTIN's written instructions.

18. LEGAL ACTION AND INTEREST

In the event that LOCKHEED MARTIN brings any law suit or other legal proceeding to enforce its rights against the CONTRACTOR under this Contract or defends any action brought by the CONTRACTOR against it, and prevails in such action or defense, the CONTRACTOR shall pay all court costs and reasonable attorneys' fees incurred by LOCKHEED MARTIN in such action or defense. In addition, whether or not litigation is commenced, the CONTRACTOR shall pay simple interest at the rate of twelve (12) percent per annum on any sum due to LOCKHEED MARTIN from the date due until paid, unless paid within thirty (30) days of becoming due.

19. LIMITS OF CONTRACT

This Contract integrates, merges and supersedes all prior offers, negotiations or agreements concerning the subject matter hereof and constitutes the entire agreement between the parties.