



SPECIAL PROVISIONS

**P81 PROGRAM
P4 and Up**

**PRIME CONTRACT SPECIAL PROVISIONS
FLOWDOWN CLAUSES**

Special provisions of the Prime Contract which are required or appropriate to be included in this Contract are as follows:

A. Customer Clauses.

- (1) CHANGES REQUIRING NO EQUITABLE ADJUSTMENT
 - (a) Purpose. The purpose of this provision is to establish a procedure whereby one contractual amendment will be used both to direct changes of the type specified in the "Changes" clause of this Contract and to settle any question of equitable adjustments that might arise. This procedure shall apply only to those changes which will have no effect on the Contract.
 - (b) Procedures. When it is proposed to make a change under the "Changes" clause and both parties hereto can agree that such proposed change will not necessitate any equitable adjustment as contemplated by said clause and this paragraph, the CONTRACTOR shall submit a written proposal or offer to accomplish the proposed change, without an equitable adjustment. If, after receipt of said proposal or offer, the LOCKHEED MARTIN Purchasing Representative determines that no adjustment is necessary, he may accept the CONTRACTOR's proposal or offer by issuing an executed copy of an Amendment to this Contract. The Amendment shall (i) cite this paragraph; (ii) reference the CONTRACTOR's proposal or offer; and (iii) direct the changes to be accomplished. The issuance of the Amendment shall constitute acceptance of the CONTRACTOR's proposal or offer; shall be binding on both parties; and shall constitute a full, complete, and final settlement for the changes directed therein.
- (2) SECURITY REVIEW OF PATENT APPLICATIONS
 - (a) Before filing any foreign or domestic patent application that covers a Subject Invention which occurs in the course of or under this Contract, including any subtasks thereunder; and also before filing any foreign or domestic patent application that covers any invention which occurs in the course of or under any IR&D effort that pertains to the aforementioned Contract, the application shall be submitted to the Contracting Officer's program security officer for review, through the LOCKHEED MARTIN Purchasing Representative. (See Footnote 3.)

- (3) COOPERATION WITH GOVERNMENT'S CONTRACTING OFFICER
 - (a) The Contracting Officer or his representative is authorized to visit CONTRACTOR's facilities, with advance notification, to review progress, discuss problems/failures and witness testing pertaining to the requirements of this Contract.
 - (b) CONTRACTOR agrees to provide adequate information in response to reasonable requests of such Contracting Officer, or his duly authorized representative, on subcontract performance as required. All such requests for information shall be routed through the LOCKHEED MARTIN Purchasing Representative.
 - (c) "Contracting Officer" shall mean the U.S. Government Contracting Officer for LOCKHEED MARTIN's prime contract under which this Contract is entered.
- (4) 52.203-004 PERSONAL CONDUCT (APR 1997)
 - (a) The CONTRACTOR, its employees, and its lower tier subcontractors shall comply with the conduct requirements in effect at the Government's work-site. The Government reserves the right to exclude or remove from the work-site any employee of the CONTRACTOR or of a subcontractor whom the Government deems careless, uncooperative, or whose continued employment on the work-site is deemed by the Government to be contrary to the public interest.
 - (b) The CONTRACTOR shall inform its employees that the Government has a zero tolerance policy for harassing behavior. Any CONTRACTOR or lower tier subcontractor's employee determined by the Government to have engaged in harassing behavior shall be immediately escorted from the premises and denied further access to the work-site. The CONTRACTOR shall emphasize this requirement to its employees.
 - (c) Exclusion from the work-site under the circumstance described in this clause shall not relieve the CONTRACTOR from full performance of the Contract, nor will it provide the basis for an excusable delay or any claims against LOCKHEED MARTIN and/or the Government.

- (5) 52.204-003 SPECIAL NOTIFICATION AND APPROVAL REQUIREMENTS (JUL 1996)

- (i) The CONTRACTOR hereby agrees to immediately give notice to the LOCKHEED MARTIN Procurement Representative of any anticipated or current litigation involving or in any way relating to this Contract, pertinent subcontracts or the Government's relationship with the CONTRACTOR or subcontractor(s). Said notice shall include all relevant information with respect thereto.
 - (ii) The Contracting Officer shall have access to and the right to examine any pertinent books, documents, papers, and records of the CONTRACTOR(s) involving customer transactions related to any Contract litigation.
- (2) Utilization of Government Relationship for Publicity, Advertising or Reference Purposes.
- (i) The CONTRACTOR agrees not to use or allow to be used any aspect of this Contract for publicity, advertisement, reference or any other public purposes. It is further understood that this obligation shall not expire upon completion or termination of this Contract, but will continue until rescinded by the U.S. Government.
 - (ii) The CONTRACTOR may request a waiver or release from the foregoing but shall not deviate therefrom unless authorized to do so in writing by the Contracting Officer through LOCKHEED MARTIN's Procurement Representative.
 - (iii) Unless otherwise stated in this Contract, the CONTRACTOR is not prohibited from identifying the existence of a Government contract pursuant to federal statute or regulation, e.g., Securities Exchange Commission filings, if consistent with security requirements. A copy of all such filings or disclosures shall be promptly forwarded to the Contracting Officer through LOCKHEED MARTIN.
- (b) The CONTRACTOR agrees to insert this clause in any subcontract under this Contract. In the event of litigation, the CONTRACTOR shall immediately notify its next tier Subcontractor or LOCKHEED MARTIN, as the case may be, of all relevant information with respect to such litigation.
- (6) 52.209-008 ORGANIZATIONAL CONFLICTS OF INTEREST: GENERAL (MAR 1996)
- (a) The CONTRACTOR warrants that, to the best of its knowledge and belief, there are no relevant facts that could give rise to Organizational Conflicts of Interest, as defined in FAR 9.501. Or, alternatively, the CONTRACTOR warrants that it has disclosed all relevant information regarding any actual or potential organizational conflict of interest.
- (c) If the CONTRACTOR was aware of an organizational conflict of interest before award of this Contract and did not fully disclose the conflict to the LOCKHEED MARTIN Procurement Representative, LOCKHEED MARTIN may terminate the Contract for default.
 - (d) The CONTRACTOR shall insert a clause containing all the terms and conditions of this clause in all subcontracts for work to be performed similar to the services provided by the CONTRACTOR, and the terms "contract," "contractor," and "LOCKHEED MARTIN Procurement Representative" modified appropriately to preserve the Government's rights.
 - (e) Before a contract modification is made that adds new work or significantly increases the period of performance, the CONTRACTOR shall agree to submit either an organizational conflict of interest disclosure or representation or an update of a previously submitted disclosure or representation, if requested by LOCKHEED MARTIN.
 - (f) CONTRACTOR further agrees that the Government may periodically review CONTRACTOR's compliance with these provisions or require such self-assessments or additional certifications as the Government deems appropriate.
- (7) 52.223-005 PROHIBITION ON STORAGE AND DISPOSAL OF TOXIC HAZARDOUS MATERIALS (OCT 1997)
- (a) Definitions. As used in this clause:
 - (1) "Storage" means a non-transitory, semi-permanent or permanent holding, placement, or leaving of material. It does not include a temporary accumulation of a limited quantity of a material used in or a waste generated or resulting from authorized activities, such as servicing, maintenance, or repair of Government items, equipment, or facilities.
 - (2) "Toxic or hazardous materials" means those materials identified in the "EPA Title III List of Lists."
 - (b) The CONTRACTOR is prohibited from transporting, storing, disposing or using toxic or hazardous materials in performing this Contract except for those materials listed in (c) below or when authorized in writing by LOCKHEED MARTIN.
 - (c) Toxic and hazardous materials authorized for use in the performance of this Contract are as listed below:

TBD
- (8) 52.223-006 CONTRACTOR COMPLIANCE WITH ENVIRONMENTAL, OCCUPATIONAL SAFETY AND HEALTH, AND SYSTEM SAFETY REQUIREMENTS (OCT 1997)
- (a) In performing work under this Contract, the CONTRACTOR shall comply with:
 - (1) All applicable Federal, State, and local environmental,

- (b) **Conflicting Requirements.** The CONTRACTOR shall provide written notification to the LOCKHEED MARTIN Procurement Representative of any conflicts in requirements. The notification will describe the conflicting requirements and their source; provide an estimate of any impact to the Contract's cost, schedule, and any other terms and conditions; and provide a recommended solution. The notification will also identify any external organizations that the LOCKHEED MARTIN and/or the Government, or the CONTRACTOR may have to coordinate with in order to implement the solution. The LOCKHEED MARTIN Procurement Representative will review the notification and provide written direction. Until the LOCKHEED MARTIN Procurement Representative issues that direction, the CONTRACTOR will continue performance of the Contract, to the extent practicable, giving precedence in the following order to requirements that originates from:
 - (1) Federal, state, and local laws, regulations, policies and procedures;
 - (2) Government facility regulations, policies and procedures; and
 - (3) Contract specific direction.
 - (c) **Material Condition of Contract.** Environmental, occupational safety and health, and system safety requirements are a material condition of the Contract. Failure of the CONTRACTOR to maintain and administer an environmental and safety program that is compliant with the requirements of this Contract shall constitute grounds for termination for default.
 - (d) The CONTRACTOR shall include this clause in all subcontracts.
- (9) 52.231-001 SUPPLEMENTAL COST PRINCIPLES (MAR 1996)
- When the allowability of costs under this Contract is determined in accordance with Part 31 of the FAR, allowability shall also be determined in accordance with Part 31 of *The Government Acquisition Manual*, in effect on the date of this Contract.
- (10) 52.244-001 SUBCONTRACTS (EDUCATIONAL INSTITUTIONS) (SEP 1996)
- (a) The CONTRACTOR shall obtain written authorization from the LOCKHEED MARTIN Procurement Representative prior to award, extension or renewal of a subcontract with an educational institution.
 - (b) The CONTRACTOR shall obtain a letter from an official with authority to approve contracts on behalf of the subcontractor that acknowledges the subcontractor's involvement with the Intelligence Community and approves the proposed contractual relationship. A copy of this letter will be provided to the LOCKHEED MARTIN Procurement Representative along with all other required documentation as a condition for obtaining the required consent to subcontract.