

LOCKHEED MARTIN CORPORATION
PRIME SUPPLEMENTAL FLOWDOWN DOCUMENT (PSFD)
ADDITIONAL TERMS AND CONDITIONS FOR SUBCONTRACTS/PURCHASE ORDERS
UNDER

Taiwan Retrofit Program - Contract FA8615-12-C-6016

Generated using Lockheed Martin CorpDocs 2013 Version

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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 PSFD is inapplicable to the performance of this Contract, the parties shall consider such clauses to be self-deleting and shall not impose any obligations upon the SELLER.

For all subcontracts issued under the subject Prime Contract, incorporate the following terms and conditions, applicable as noted, in addition to those other terms and conditions (CorpDocs, etc.) to be used for subcontracts issued under the Prime Contract. In the event of a conflict between the version or date of a clause set out in this document and the version or date of a clause set out in the identified CorpDocs, the version or date of the clauses set out in this document shall take precedence.

Section 1: ADDITIONS: The following FAR, DFARS and AFFARS clauses are added in addition to those set out in the applicable CorpDocs:

FAR 52.203-7, "ANTI-KICKBACK PROCEDURES" (MAY 2014). (Applicable to subcontracts in excess of \$150,000. Paragraph (c)(1) does not apply.)

FAR 52.215-12 SUBCONTRACTOR CERTIFIED COST OR PRICING DATA (DEVIATION 2018-O0015) (MAY 2018) (Applies if this contract exceeds the threshold for submission of certified cost or pricing data at FAR 15.403-4 and is not otherwise exempt from the requirement to provide cost or pricing data. Not applicable to Commercial Items as defined in FAR 2.101.) "United States" means "United States or Lockheed Martin".

FAR 52.227-21, "TECHNICAL DATA DECLARATION, REVISION, AND WITHHOLDING OF PAYMENT – MAJOR SYSTEMS" (DEC 2007) (Flowdown is required in any subcontract in which requires the delivery of technical data. "Contracting Officer" means "Lockheed Martin." "Government" means "Lockheed Martin" in paragraph (b)(2) and "Lockheed Martin or Government" in paragraph (d).)

FAR 52.230-2A, "COST ACCOUNTING STANDARDS" (DEVIATION 2018-O0015) (MAY 2018) (Applies when the contract states that it is subject to full CAS coverage. "United States" means "United States or Lockheed Martin." Paragraph (b) is deleted. The following is added as a new paragraph (e): "Seller shall communicate and otherwise deal directly with the cognizant Contracting Officer to the extent practicable and permissible as to all matters relating to Cost Accounting Standards. Seller shall provide Lockheed Martin with copies of all communications concerning CAS between and the Contracting Officer if such are relevant to this contract; provided however, Seller shall not be required to disclose to Lockheed Martin such communications containing information which is privileged and confidential to Seller.)"

FAR 52.243-3, "Changes Time-and-Materials or Labor-Hours" (SEP 2000) ("Contracting Officer" and "Government" mean "Lockheed Martin". In paragraph (a), add as subparagraph (8) "Delivery schedule". In paragraph (d), the reference to the disputes clause is deleted.)

FAR 52.246-6, "INSPECTION -- TIME-AND-MATERIAL AND LABOR-HOUR" (MAY 2001) ("Government" means "Lockheed Martin and the Government" in paragraphs (b), (c) and (d). "Government" means "Lockheed Martin" in paragraphs (e), (f), (g) and (h).)

FAR 52.245-9, "USE AND CHARGES" (APR 2012) (Flowdown is required in any subcontract where Government property will be provided in the performance of the subcontract.)

DFARS 252.204-7012, Safeguarding Covered Defense Information and Cyber Incident Reporting (OCT 2016) (Applies if this Contract is for operationally critical support or for which subcontract performance will involve covered defense information Seller shall furnish Lockheed Martin copies of notices provided to the Contracting Officer at the time such notices are sent. Seller shall also furnish Lockheed Martin copies of any reports Seller receives from its lower tier subcontractors.)

DFARS 252.208-7000, "INTENT TO FURNISH PRECIOUS METALS AS GOVERNMENT-FURNISHED MATERIAL" (DEC 1991) (Flowdown is required in any subcontract where the subcontract involves precious metals.)

DFARS 252.211-7008, "USE OF GOVERNMENT-ASSIGNED SERIAL NUMBERS" (SEP 2010) (Flowdown is required in any subcontract where the supplier will be in the possession of Government property for the performance of the subcontract.)

DFARS 252.219-7004, "SMALL BUSINESS SUBCONTRACTING PLAN (TEST PROGRAM)" (JAN 2011)

DFARS 252.225-7012, PREFERENCE FOR CERTAIN DOMESTIC COMMODITIES (DEC 2016) (Flowdown is required in any subcontract where the Seller is furnishing any of the items covered by this clause.)

DFARS 252.225-7025, "RESTRICTION ON ACQUISITION OF FORGINGS" (DEC 2009) (Applies if the Work contains forging items described by the clause.)

DFARS 252.225-7027, "RESTRICTION ON CONTINGENT FEES FOR FOREIGN MILITARY SALES" (APR 2003) (The reference to the clause in paragraph (a) means FAR 52.203-5. The blank in paragraph (b)(1) is completed with "any Government". Subparagraph (b)(2) is deleted.)

DFARS 252.225-7028, “EXCLUSIONARY POLICIES AND PRACTICES OF FOREIGN GOVERNMENTS” (APR 2003) (This clause by its terms applies to work performed by subcontractors. Accordingly, the clause should be included in all subcontracts.)

DFARS 252.228-7001, “GROUND AND FLIGHT RISK” (JUN 2010) (In paragraph (a)(1)(i) "this contract" means "the prime contract." The following is added at the beginning of the clause: "Communications between Seller and the Government shall be made through Lockheed Martin. Any equitable adjustment provided for this clause shall be implemented in this contract to the extent such adjustment is implemented in the prime contract." Subparagraphs (d)(2)(ii), (d)(3)(ii) and the last sentence of subparagraph (j)(2) are deleted. The provision of this clause relating to assumption of risk by the Government are not applicable to Seller unless this contract includes language stating the Government has agreed to assume such risk of loss.)

DFARS 252.234-7004, COST AND SOFTWARE DATA REPORTING SYSTEM (NOV 2014) (Applicable to subcontracts in excess of \$50,000,000. In paragraph (b), "Government" means “Lockheed Martin.”)

DFARS 252.243-7002, REQUESTS FOR EQUITABLE ADJUSTMENT (DEC 2012) (“Government” means “Lockheed Martin”).

DFARS 252.244-7000, SUBCONTRACTS FOR COMMERCIAL ITEMS (JUN 2013)

DFARS 252.245-7001, “TAGGING, LABELING, AND MARKING OF GOVERNMENT-FURNISHED PROPERTY” (APR 2012) (This clause should be included in subcontracts where the items furnished by the subcontractor will be subject to serialized tracking. Note that the subcontract Statement of Work or other document will need to identify the items subject to serialized tracking.)

DFARS 252.245-7004, “REPORTING, REUTILIZATION, AND DISPOSAL” (APR 2012) (This clause applies to any government property located at Seller’s facilities. "Contracting Officer" means “Lockheed Martin”.)

DFARS 252.246-7001, “WARRANTY OF DATA” (DEC 1991) (Applies if Seller is required to provide data. "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.”)

AFFARS 5352.223-9000, “ELIMINATION OF USE OF CLASS I OZONE DEPLETING SUBSTANCES (ODS)” (NOV 2012), (The blank in paragraph (d) is completed with "None". In paragraph (d) "Contracting Officer" means "Lockheed Martin.") (The blank in paragraph (d) is completed with "None." In paragraph (d) "Contracting Officer" means "Lockheed Martin.")

Section II: The dates or versions of the following FAR, DFARS, and other agency clauses are modified as contained herein and are incorporated into the Contract:

FAR 52.203-5, “COVENANT AGAINST CONTINGENCY FEES” (MAY 2014).

FAR 52.203-8, “Cancellation, Rescission, and Recovery of Funds for Illegal or Improper Activity” (MAY 2014)

FAR 52.203-10, “Price or Fee Adjustment for Illegal or Improper Activity” (MAY 2014)

FAR 52.203-13, “Contractor Code of Business Ethics and Conduct” (OCT 2015) Applies if this contract exceeds \$5,000,000 and has a period of performance of more than 120 days. Disclosures made under this clause shall be made directly to the Government entities identified in the clause.

FAR 52.204-10, “REPORTING EXECUTIVE COMPENSATION AND FIRST-TIER SUBCONTRACT AWARDS” (OCT 2016) Subparagraph (d)(2) does not apply. If Seller meets the thresholds specified in paragraphs (d)(3) and (g)(2) of the clause, Seller shall report required executive compensation by posting the information to the System for Award Management (SAM) database. All information posted will be available to the general public.

FAR 52.209-6, “PROTECTING THE GOVERNMENTS INTEREST WHEN SUBCONTRACTING WITH CONTRACTORS DEBARRED, SUSPENDED, OR PROPOSED FOR DEBARMENT” (OCT 2015) Applies if this contract exceeds \$35,000. Does not apply if this contract is for commercial off the shelf items. Copies of notices provided by Seller to the Contracting Officer shall be provided to Lockheed Martin.

FAR 52.209-9, “UPDATES OF PUBLICLY AVAILABLE INFORMATION REGARDING RESPONSIBILITY MATTERS” (JUL 2013)

FAR 52.216-7, “ALLOWABLE COST AND PAYMENT” (JUN 2013)

FAR 52.219-8, “UTILIZATION OF SMALL BUSINESS CONCERNS” (NOV 2016)

FAR 52.219-9, “SMALL BUSINESS SUBCONTRACTING PLAN” (JAN 2017) Applies if this contract exceeds \$700,000. Does not apply if Seller is a small business concern. "Contracting Officer" means "Lockheed Martin" in paragraph (c). Seller's subcontracting plan is incorporated herein by reference.

FAR 52.222-21, “PROHIBITION OF SEGREGATED FACILITIES” (APR 2015)

FAR 52.222-26, “EQUAL OPPORTUNITY.” (SEP 2016)

FAR 52.222-35, “EQUAL OPPORTUNITY FOR VETERANS” (OCT 2015) (Applies if this Contract is for \$150,000 or more.)

FAR 52.222-36, “EQUAL OPPORTUNITY FOR WORKERS WITH DISABILITIES” (JUL 2014) (Applies if this Contract exceeds \$15,000.)

FAR 52.222-37, “EMPLOYMENT REPORTS ON VETERANS” (FEB 2016) (Applies if this Contract is for \$150,000 or more.)

FAR 52.222-50, “COMBATING TRAFFICKING IN PERSONS” (MAR 2015) (Contracting Officer" means "Lockheed Martin." In paragraph (e), "Government" means "Lockheed Martin and the Government.)

FAR 52.234-1, “INDUSTRIAL RESOURCES DEVELOPED UNDER TITLE III, DEFENSE PRODUCTION ACT” (SEP 2016) (Contracting Officer" means "Lockheed Martin.)

FAR 52.244-6, “SUBCONTRACTS FOR COMMERCIAL ITEMS” (JAN 2017)

FAR 52.245-1, “GOVERNMENT PROPERTY” (JAN 2017) (Contracting Officer" means "Lockheed Martin" except in the definition of Property Administrator and in paragraphs (h)(1)(iii) where it is unchanged, and in paragraphs (c) and (h)(4) where it includes Lockheed Martin. "Government" is unchanged in the phrases "Government property" and "Government furnished property" and where elsewhere used except in paragraph (d)(1) where it means "Lockheed Martin" and except in paragraphs (d)(2) and (g) where the term includes Lockheed Martin." The following is added as paragraph (n) "Seller shall provide to Lockheed Martin immediate notice if the Government or other customer (i) revokes its assumption of loss under any direct contracts with Seller, or (ii) makes a determination that Seller's property management practices are inadequate, and/or present an undue risk, or that Seller has failed to take corrective action when required.)

DFARS 252.203-7002, “REQUIREMENT TO INFORM EMPLOYEES OF WHISTLEBLOWER RIGHTS” (SEP 2013)

DFARS 252.203-7003, “AGENCY OFFICE OF THE INSPECTOR GENERAL” (DEC 2012) (Applies when FAR 52.203-13 applies to this Contract.)

DFARS 252.204-7008, “COMPLIANCE WITH SAFEGUARDING COVERED DEFENSE INFORMATION CONTROLS” (OCT 2016)

DFARS 252.211-7003, “ITEM UNIQUE IDENTIFICATION AND VALUATION” (MAR 2016) (Applicable if this Contract requires the Work to contain unique item identification. "Government" means "Lockheed Martin" except in the definition of "issuing agency" in paragraph (a). Items subject to unique item identification are identified elsewhere in this Contract. All reports required to be submitted under this clause shall be submitted to Lockheed Martin.)

DFARS 252.225-7001, “BUY AMERICAN ACT AND BALANCE OF PAYMENTS PROGRAM” (DEC 2016)

DFARS 252.225-7009, “RESTRICTION ON ACQUISITION OF CERTAIN ARTICLES CONTAINING SPECIALTY METALS” (OCT 2014) (Applies if the Work furnished includes specialty metals. Paragraph (d) is deleted. The phrase "end item" in paragraph (e)(6) means "end item under the prime contract." For the purpose of this clause, Seller shall assume the minimal amount exception in paragraph (c)(6) does not apply with respect to this contract unless otherwise notified by Lockheed Martin.)

DFARS 252.225-7013, “DUTY-FREE ENTRY” (MAY 2016) (In paragraph (c), "Government" and "Contracting Officer" means "Lockheed Martin." The prime contract number and identity of the Contracting Officer are contained elsewhere in this contract. If this information is not available, contact Lockheed Martin's procurement representative.)

DFARS 252.225-7021, “TRADE AGREEMENTS” (DEC 2016) (ALT II) (DEC 2016)

DFARS 252.225-7043, “ANTITERRORISM/FORCE PROTECTION FOR DEFENSE CONTRACTORS OUTSIDE THE UNITED STATES” (JUN 2015) (Applies if this contract involves travel or performance outside the United States.)

DFARS 252.227-7013, "RIGHTS IN TECHNICAL DATA - NON-COMMERCIAL ITEMS" (FEB 2014)

DFARS 252.227-7014, "RIGHTS IN NONCOMMERCIAL COMPUTER SOFTWARE AND NONCOMMERCIAL COMPUTER SOFTWARE DOCUMENTATION" (FEB 2014)

DFARS 252.227-7019, "VALIDATION OF ASSERTED RESTRICTIONS--COMPUTER SOFTWARE" (SEP 2016) (Contracting Officer" means "Lockheed Martin" or "Contracting Officer.)

DFARS 252.227-7025, "LIMITATIONS ON THE USE OR DISCLOSURE OF GOVERNMENT-FURNISHED INFORMATION MARKED WITH RESTRICTIVE LEGENDS" (MAY 2013) (In paragraph (c)(1) "Government" means "Lockheed Martin and Government.")

DFARS 252.227-7037, "VALIDATION OF RESTRICTIVE MARKINGS ON TECHNICAL DATA" (SEP 2016)

DFARS 252.235-7003, "FREQUENCY AUTHORIZATION" (MAR 2014) ALT I (MAR 2014) (Applies if this contract requires the development, production, construction, testing, or operation of a device for which a radio frequency authorization is required. "Contracting Officer" means "Lockheed Martin.")

DFARS 252.245-7002, "REPORTING LOSS OF GOVERNMENT PROPERTY" (DEVIATION 2020-O0004) (FEB 2020)

DFARS 252.246-7003, "NOTIFICATION OF POTENTIAL SAFETY ISSUES" (JUN 2013) (Seller shall provide notifications under this clause to Lockheed Martin and the contracting officer identified to Seller.)

DFARS 252.247-7023, "TRANSPORTATION OF SUPPLIES BY SEA" (APR 2014) (In paragraph (g) "Government" and "Contracting Officer" mean "Lockheed Martin" and the words "of the Prompt Payment clause" are deleted. If this contract is less than \$150,000 only paragraphs (a) through (e) and paragraph (h) of the clause applies.)

DFARS 252.249-7002, "NOTIFICATION OF ANTICIPATED CONTRACT TERMINATION OR REDUCTION" (OCT 2015) (Applies if this contract equals or exceeds \$700,000. "Contracting Officer" means "Lockheed Martin." Subparagraphs (d)(1) and the first 5 words of subparagraph (d)(2) are deleted.)

5. The following Special Contract Requirement (H clause) is added:

SYK-FAC-002 USE OF OTHER GOVERNMENT PROPERTY (OCT 2003)

- a. In the performance of the requirements under this Contract, LOCKHEED MARTIN may use and may authorize its subcontractors to use, on a no-charge basis, the Government-owned Special Tooling such as jigs, dies, fixtures, special gauges, other manufacturing aids and Special Test Equipment, heretofore acquired or manufactured or authorized for acquisition or manufacture by LOCKHEED MARTIN and/or its subcontractors or heretofore furnished to LOCKHEED MARTIN and/or its subcontractors as Government Furnished Property and presently in its or their possession which shall have been determined LOCKHEED MARTIN to be available for the

performance of the work called for by this Contract in accordance with Federal Acquisition Regulation (FAR) 52.245-01 of Section I of this Contract entitled "Government Property." It is, however, hereby provided that use of the foregoing shall not interfere with the proper performance of work under the Contract(s) for which they were originally produced, acquired or furnished.

- b. Subject to the provisions of Paragraph (a) above, any of the aforementioned items of Special Tooling and/or Special Test Equipment presently in the possession of LOCKHEED MARTIN and/or subcontractors may be modified as necessary for the performance of this Contract as approved by LOCKHEED MARTIN.