

LOCKHEED MARTIN CORPORATION

PRIME SUPPLEMENTAL FLOWDOWN DOCUMENT (PSFD)

**ADDITIONAL TERMS AND CONDITIONS FOR SUBCONTRACTS/PURCHASE ORDERS
UNDER**

**Bahrain F-16 Aircraft Production Program
Contract FA8615-18-C-6058**

Generated using Lockheed Martin CorpDocs 2018 Version

August 14, 2018

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.

Section I: DELETIONS: The following FAR and DFARS clauses are deleted in their entirety from the applicable CorpDocs incorporated into this Contract:

FAR 52.222-41 SERVICE CONTRACT ACT OF 1965 (MAY 2014)
FAR 52.222-55 MINIMUM WAGES UNDER EXECUTIVE ORDER 13658 (DEC 2015)
FAR 52.243-6 CHANGE ORDER ACCOUNTING (APR 1984)
DFARS 252.225-7021 TRADE AGREEMENTS (DEC 2016)

Section II: ADDITIONS: The following FAR, DFARS and AFFARS clauses are added:

FEDERAL ACQUISITION REGULATION (FAR)

FAR 52.203-16, "PREVENTING PERSONAL CONFLICTS OF INTEREST" (DEC 2011). (Applies to subcontracts that exceed \$150,000; and in which subcontractor employees will perform acquisition functions closely associated with inherently governmental functions (i.e., instead of performance only by a self-employed individual). Not applicable to Commercial Items as defined in FAR 2.101)

FAR 52.222-56, "CERTIFICATION REGARDING TRAFFICKING IN PERSONS COMPLIANCE PLAN" (MAR 2015). (Applies to all solicitations for subcontracts for supplies, other than commercially available off-the-shelf items, acquired outside the United States, or services to be performed outside the United States; and where the subcontract is estimated to exceed \$500,000. In

paragraph (d), "Contracting Officer" means "Contracting Officer and Lockheed Martin." In paragraph (e), "Government" means "Lockheed Martin.")

FAR 52.232-16, "PROGRESS PAYMENTS" (APR 2012). ("Contracting Officer" means "Lockheed Martin" except in paragraph (g) where it means "Lockheed Martin or Contracting Officer." "Government" means "Lockheed Martin" except: (1) in paragraphs (d), (e) and (j)(5) where the term is unchanged and (2) in paragraphs (g) and (i) where it means "Lockheed Martin and the Government." Not applicable to Commercial Items as defined in FAR 2.101)

FAR 52.232-17, "INTEREST" (MAY 2014). ("Government" means "Lockheed Martin." Not applicable to Commercial Items as defined in FAR 2.101.)

FAR 52.232-39, "UNENFORCEABILITY OF UNAUTHORIZED OBLIGATIONS" (JUN 2013). (Applies to subcontracts where software or services will be retransferred to the Government. .)

FAR 52.245-9, "USE AND CHARGES" (APR 2012). (Applies to subcontract involving the use of government property. Communications with the Government under this clause will be made through Lockheed Martin.)

FAR 52.246-2 ALT 1, "ALTERNATE I - INSPECTION OF SUPPLIES FIXED-PRICE" (JUL 1985). (Applicable to fixed price incentive subcontracts. "Government" means "Lockheed Martin and the Government" except in paragraphs (f), (j), and (l) where it means "Lockheed Martin." "Contracting Officer" means "Lockheed Martin.")

DEFENSE FEDERAL ACQUISITION REGULATION SUPPLEMENT (DFARS)

DFARS 252.208-7000, "INTENT TO FURNISH PRECIOUS METALS AS GOVERNMENT-FURNISHED MATERIAL" (DEC 1991). (Applies in all solicitations for subcontracts for items containing precious metals.)

DFARS 252.211-7007, "REPORTING OF GOVERNMENT-FURNISHED PROPERTY" (AUG 2012). (Applies if Seller will be in possession of Government property for the performance of this contract.)

DFARS 252.219-7004, "SMALL BUSINESS SUBCONTRACTING PLAN (TEST PROGRAM)" (OCT 2014). (Applies to all subcontracts for participants in the DoD Test Program for the Negotiation of Comprehensive Small Business Subcontracting Plans. Not applicable to Commercial Items as defined in FAR 2.101.)

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, "EXCLUSIONAR POLICIEWS AND PRACTICES OF FOREIGN GOVERNMENTS" (APR 2003). (Does not apply for Commercial Items as defined in FAR 2.101.)

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. Does not apply for Commercial Items as defined in FAR 2.101.)

DFARS 252.234-7002, "EARNED VALUE MANAGEMENT SYSTEM" (SEP 2015). (Applies to cost or incentive contracts valued at \$20,000,000 or more. "Government" means "Lockheed Martin and Government." Paragraphs (i) and (j) are deleted. Not applicable to Commercial Items as defined in FAR 2.101.)

DFARS 252.234-7004, "COST AND SOFTWARE DATA REPORTING SYSTEM" (NOV 2014). (Applies to subcontracts in excess of \$50,000,000. In paragraph (b), "Government" means Lockheed Martin. Not applicable to Commercial Items as defined in FAR 2.101.)

DFARS 252.237-7010, "PROHIBITION ON INTERROGATION OF DETAINEES BY CONTRACTOR PERSONNEL" (JUN 2013). (Applies if subcontract requires subcontractor personnel to interact with detainees in the course of their duties.)

DFARS 252.243-7002, "REQUESTS FOR EQUITABLE ADJUSTMENT" (DEC 2012). (Applies if subcontract is over \$150,000. "Government" means "Lockheed Martin." Does not apply for Commercial Items as defined in FAR 2.101.)

DFARS 252.245-7004, "REPORTING, REUTILIZATION, AND DISPOSAL" (DEC 2017). (Applies if government property will be located at supplier's facilities. "Contracting Officer" means Lockheed Martin.)

DFARS 252.246-7000, "MATERIAL INSPECTION AND RECEIVING REPORT" (MAR 2008). (Applies if subcontract requires delivery of Item(s) directly to the Government.)

DFARS 252.246-7001, "WARRANTY OF DATA" (MAR 2014). (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." Does not apply for Commercial Items as defined in FAR 2.101.)

DFARS 252.246-7001 ALT 1, "ALTERNATE 1 - WARRANTY OF DATA" (MAR 2014). (**Applicable to** fixed-price-incentive solicitations and contracts; 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.")

ARMY FEDERAL ACQUISITION REGULATION SUPPLEMENT

AFARS 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." Not applicable to Commercial Items as defined in FAR 2.101.)

AFARS 5352.223-9001, "HEALTH AND SAFETY ON GOVERNMENT INSTALLATIONS" (NOV 2012). (Applies if Seller will perform work under this Contract on a government installation. "Contracting Officer" means "Lockheed Martin." Not applicable to Commercial Items as defined in FAR 2.101.)

AFARS 5352.242-9000, "CONTRACTOR ACCESS TO AIR FORCE INSTALLATIONS" (NOV 2012). (Applies if Seller will perform work under this Contract on a government installation. "Contracting Officer" means "Lockheed Martin." In paragraph (e) "the prime contractor" means "Seller." Not applicable to Commercial Items as defined in FAR 2.101.)

Section III:

Modify the following FAR and DFARS clauses as directed below:

Replace **FAR 52.225-5, "TRADE AGREEMENTS" (NOV 2013),** with **FAR 52.225-5, "TRADE AGREEMENTS" (OCT 2016).**

Replace **DFARS 252.219-7003, "SMALL BUSINESS SUBCONTRACTING PLAN (DOD CONTRACTS)" (MAR 2016),** with **DFARS 252.216-7003, "SMALL BUSINESS SUBCONTRACTING PLAN (DOD CONTRACTS)" (DEC 2017).**