



LOCKHEED MARTIN CORPORATION
PRIME SUPPLEMENTAL FLOWDOWN DOCUMENT (PSFD)
ADDITIONAL TERMS AND CONDITIONS FOR SUBCONTRACTS/PURCHASE ORDERS
UNDER F-35 JSF PRIME CONTRACT No. N00019-12-R-0078 / N00019-14-C-0040

Japan Orders/Non-Recurring Engineering (NRE)

REFERENCE: 2013 Version of Lockheed Martin CorpDocs

ORIGINAL: 30 June 2013

REVISION 1: 11 November 2013¹

REVISION 2: 21 July 2015

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. The term “Contractor” shall mean “Subcontractor”, “Supplier”, or “Seller” herein; the term “Prime Contractor”, “Contracting Officer” or “Government” (except “foreign government”) shall mean LOCKHEED MARTIN herein. The applicability of each clause to this Contract shall be limited by a statement following each FAR or DFAR reference, if any.

PART 1. The following FAR, DFARS, and other Agency clauses are incorporated into the Contract:

FAR CLAUSES

52.204-10	Reporting Executive Compensation and First-Tier Subcontract Awards (The clause is not applicable to the Seller if the contract involves classified work (SECRET or higher), contracts less than \$25,000, or contracts with individuals. Subparagraph (d)(2) of the clause is deleted. 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 Government's Central Contractor Registration (CCR) database. All information	Aug-12
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¹ Clarification only to reference updated prime contract number N00019-14-C-0040.

posted will be available to the general public.)

52.227-1-Alt I	Authorization and Consent (DEC 2007) Alternate I (APR 1984)	Apr-84
52.228-3	Workers Compensation Insurance (Defense Base Act) (The clause is applicable to the Seller if it will perform work subject to the Defense Base Act 42 U.S.C. 1651 et seq.)	Apr-84
52.229-8	Taxes - Foreign Cost Reimbursement Contracts (The clause is only applicable if the Seller is performing work abroad under the conditions described in paragraph (a). The blanks in para. (a) shall be construed to include the name of the foreign government in the country in which the Seller is performing work, and the official name of the country.) (Does not apply for Commercial Items as defined in FAR 2.101).	Mar-90
52.232-17	Interest ("Government" means "Lockheed Martin.") (Does not apply for Commercial Items as defined in FAR 2.101)	Oct-10
52.242-15 Alt I	Stop-Work Order Alternate I (The clause only applies to the Seller if the contract is a cost-reimbursement type for non-commercial items).	Apr-84
52.243-2-Alt II	Changes—Cost Reimbursement (AUG 1987) – Alternate I Applies to cost-reimbursement type contracts only. "Contracting Officer" and "Government" mean "Lockheed Martin." In paragraph (a) add as subparagraph (4) "Delivery schedule." In paragraph (d) the reference to the disputes clause is deleted.	Apr-84
52.246-8	Inspection of Research and Development- Cost-Reimbursement ("Government" means "Lockheed Martin" except in paragraphs (b), (c) and (d) where it means "Lockheed Martin and the Government." and in paragraph (k) where the term is unchanged.) (Does not apply for Commercial Items as defined in FAR 2.101)	May 01

DFARS CLAUSES

252.225-7012	Preference For Certain Domestic Commodities (Applies if Seller is furnishing any of the items covered by this clause)	Jun-10
252.225-7028	Exclusionary Policies and Practices of Foreign Governments (Does not apply for Commercial Items as defined in FAR 2.101)	Apr-03

252.227-7013- Alt I	Rights in Technical Data—Noncommercial Items -Alternate I	Jun 95
252.227-7014- Alt I	Rights in Noncommercial Computer Software and Noncommercial Computer Software Documentation -Alternate I	Jun 95
252.227-7017	Identification and Assertion of Use, Release, or Disclosure Restrictions ("Offeror" means "Seller." Contracting Officer" means "Lockheed Martin or Contracting Officer." In paragraphs (a) and (b) the references to the SBIR data rights clause are deleted)	Jan 11
252.234-7002	Earned Value Management System ((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. Does not apply for Commercial Items as defined in FAR 2.101) "Government" means "Lockheed Martin and Government." Paragraphs (i) and (j) are deleted.	May 11
252.234-7004	Cost and Software Data Reporting System ((Applies to contracts that exceed \$50 million. In paragraph (b), "Government" means Lockheed Martin. Does not apply for Commercial Items as defined in FAR 2.101)	Nov-10
252.239-7001	Information Assurance Contractor Training and Certification	Jan-08
252.239-7016	Telecommunications Security Equipment, Devices, Techniques, and Services (Applies if this contract requires securing telecommunications.)	Dec-91
252.243-7002	Requests for Equitable Adjustment "Government" means "Lockheed Martin."	Mar-98
252.244-7000	Subcontracts for Commercial Items and Commercial Components (DoD Contracts)	Jun -12
252.246-7000	Material Inspection and Receiving Report (Applies if this contract requires delivery of Items directly to the Government.)	Mar-08
252.246-7001	Warranty of 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	Dec-91

years after delivery to the Government." Does not apply for Commercial Items as defined in FAR 2.101)

252.225-7027	Restriction on contingent fees for foreign military sales	Apr-03
	(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).	

NAVAIR CLAUSES

5252.204-9504	Disclosure of Contract Information (NAVAIR) (VARIATION) (Communications with the Contracting Officer shall be made through Lockheed Martin. In paragraph (b), 10 days is changed to 20 days).	Jan-07
5252.227-9501	Invention Disclosures and Reports (NAVAIR) (Does not apply for Commercial Items as defined in FAR 2.101).	May 98
5252.227-9507	Notice regarding dissemination of export-controlled technical data (NAVAIR) (Does not apply for Commercial Items as defined in FAR 2.101).	Oct-05
5252.227-9511	DISCLOSURE, USE AND PROTECTION OF PROPRIETARY INFORMATION (NAVAIR) (FEB 2009) (VARIATION) (In the event Seller proprietary information may be accessed by Government support contractors, this clause applies. The term "prime contractor" means "Seller.")	Feb 09

PART 2. The following Special Contract Requirements (H clauses) were included as full-text clauses in the prime contract²:

5252.204-9504 DISCLOSURE OF CONTRACT INFORMATION (NAVAIR) (JAN 2007) (VARIATION)

(a) The Contractor shall not release to anyone outside the Contractor's organization any information (e.g., announcement of contract award), regardless of medium (e.g., film, tape, document), pertaining to any part of this contract or any effort directly related to the F-35 Lightning II Joint Strike Fighter (JSF) Program unless—

(1) The JSFPO has given prior written approval through LOCKHEED MARTIN;

² Revision 1 is effective 30 June 2013 to add NAVAIR Clause text. Also, clause 5252.227-9501, Invention Disclosures and Reports (NAVIAR) was incorrectly numbered as 5252.227-9505 and is corrected and Title to 5252.227-9511 was added.

- (2) The information is otherwise in the public domain before the date of release; or
 - (3) The information is being released to associate contractors, subcontractors, suppliers, or vendors who require the information for execution of work under an F-35 Lightning II JSF contract.
 - (b) Requests for approval shall identify the specific information to be released, the medium to be used, and the purpose for the release. "Information" includes, but is not limited to, news releases, articles, manuscripts, brochures, advertisements, still and motion pictures, speeches, trade association meetings, symposia, and professional papers to be published. The Contractor shall submit the original and 1 copy of the information proposed for release to LOCKHEED MARTIN.
- Where practicable, requests and the specific information may be provided to LOCKHEED MARTIN using an electronic medium appropriate for the security level of the information being transmitted. The Contractor shall submit its request to LOCKHEED MARTIN at least 25 working days before the proposed date for release.
- (c) RESERVED
 - (d) The Contractor agrees to include a similar requirement in each subcontract or purchase order under this contract. Subcontractors, suppliers, and vendors shall submit requests for authorization to release through LOCKHEED MARTIN to the Public Affairs Officer.

5252.211- 9510 CONTRACTOR EMPLOYEES (NAVAIR)(MAY 2011)

- (a) In all situations where contractor personnel status is not obvious, all contractor personnel are required to identify themselves to avoid creating an impression to the public, agency officials, or Congress that such contractor personnel are Government officials. This can occur during meeting attendance, through written (letter or email) correspondence or verbal discussions (in person or telephonic), when making presentations, or in other situations where their contractor status is not obvious to third parties. This list is not exhaustive. Therefore, the contractor employee(s) shall:
 - (1) Not by word or deed give the impression or appearance of being a Government employee;
 - (2) Wear appropriate badges visible above the waist that identify them as contractor employees when in Government spaces, at a Government-sponsored event, or an event outside normal work spaces in support of the contract/order;
 - (3) Clearly identify themselves as contractor employees in telephone conversations and in all formal and informal written and electronic correspondence. Identification shall include the name of the company for whom they work;
 - (4) Identify themselves by name, their company name, if they are a subcontractor the name of the prime contractor their company is supporting, as well as the Government office they are supporting when participating in meetings, conferences, and other interactions in which all parties are not in daily contact with the individual contractor employee; and
 - (5) Be able to provide, when asked, the full number of the contract/order under which they are performing, and the name of the Contracting Officer's Representative.
- (b) If wearing a badge is a risk to safety and/or security, then an alternative means of identification maybe utilized if endorsed by the Contracting Officer's Representative and approved by the Contracting Officer.
- (c) LOCKHEED MARTIN will communicate to the contractor any final Government determinations of compliance with regulations with regard to proper identification of contractor employees.

5252.227-9501 INVENTION DISCLOSURES AND REPORTS (NAVAIR) (MAY 1998)

(a) In accordance with the requirements of the Patent Rights clause of this contract, the contractor shall submit "Report of Inventions and Subcontracts" (DD Form 882) along with written disclosure of inventions to LOCKHEED MARTIN.

(b) LOCKHEED MARTIN will forward such reports and disclosures directly to the appropriate Patent Counsel, designated below, for review and recommendations, after which the reports will be returned to the Contract Administrator.

Office of Counsel, AIR-11.0
Attn: Patent Counsel
Building 2272, Suite 257
NAVAIRSYSCOMHQ
47123 Buse Road, Unit Moffet
Patuxent River, MD 20670-1547

(c) The above designated Patent Counsel will represent the Procurement Contracting Officer with regard to invention reporting matters arising under this contract.

(d) A copy of each report and disclosure shall be forwarded to the Procurement Contracting Officer.

(e) The contractor shall furnish LOCKHEED MARTIN a final report within three (3) months after completion of the contracted work listing all subject inventions or certifying that there were no such inventions, and listing all subcontracts at any tier containing a patent rights clause or certifying that there were no such subcontracts.

5252.227-9507 NOTICE REGARDING THE DISSEMINATION OF EXPORT-CONTROLLED TECHNICAL DATA (NAVAIR) (OCT 2005)

(a) Export of information contained herein, which includes release to foreign nationals within the United States, without first obtaining approval or license from the Department of State for items controlled by the International Traffic in Arms Regulations (ITARs), or the Department of Commerce for items controlled by the Export Administration Regulations (EAR), may constitute a violation of law.

(b) For violation of export laws, the contractor, its employees, officials or agents are subject to:

- (1) Imprisonment and/or imposition of criminal fines; and
- (2) Suspension or debarment from future Government contracting actions.

(c) The Government shall not be liable for any unauthorized use or release of export-controlled information, technical data or specifications in this contract.

(d) The contractor shall include the provisions or paragraphs (a) through (c) above in any subcontracts awarded under this contract.

5252.227-9511 DISCLOSURE, USE AND PROTECTION OF PROPRIETARY INFORMATION (NAVAIR) (FEB 2009) (VARIATION)

(a) During the performance of this contract, the Government may use an independent services contractor (ISC), who is neither an agent nor employee of the Government. The ISC may be used to

conduct reviews, evaluations, or independent verification and validations of technical documents submitted to the Government during performance.

(b) The use of an ISC is solely for the convenience of the Government. Except as otherwise provided by separate agreement between the ISC and the prime contractor, the ISC has no obligation to the subcontractor, the subcontractor is required to provide full cooperation, working facilities, and access to the ISC for the purposes stated in paragraph (a) above.

(c) Since the ISC is neither an employee nor an agent of the Government, any findings, recommendations, analyses, or conclusions of such a contractor are not those of the Government.

(d) The subcontractor acknowledges that the Government has the right to use ISCs as stated in paragraph (a) above. It is possible that under such an arrangement the ISC may require access to or the use of information (other than restricted cost or pricing data), which is proprietary to the subcontractor.

(e) To protect any such proprietary information from disclosure or use, and to establish the respective rights and duties of both the ISC and subcontractor, the subcontractor agrees to enter into a direct agreement with any ISC as the Government requires. The ISC will be responsible for initiating contact with the prime contractor sufficiently in advance of any work that may require facility access, cooperation from the prime contractor or subcontractor, or access to proprietary information belonging to the prime contractor or to subcontractors who may have authorized the prime contractor to disclose such data to enable the prime contractor to arrange for such access and cooperation and to obtain the necessary agreements. A properly executed copy of the agreement will be provided to the Procuring Contracting Officer.

5252.228-9501 LIABILITY INSURANCE (NAVAIR) (MAR 1999)

The following types of insurance are required in accordance with the clause entitled, “FAR 52.228-7, “Insurance--Liability to Third Persons” and shall be maintained in the minimum amounts shown:

(a) Commercial General Liability: \$200,000 per person and \$500,000 per accident for bodily injury.

(b) Automobile Insurance: \$200,000 per person and \$500,000 per accident for bodily injury and \$500,000 per accident for property damage.

(c) Standard Workers Compensation and Employer’s Liability Insurance (or, where maritime employment is involved, Longshoremen’s and Harbor Worker’s Compensation Insurance) in the minimum amount of \$100,000.

(d) Aircraft public and passenger liability: \$200,000 per person and \$500,000 per occurrence for bodily injury, other than passenger liability; \$200,000 per occurrence for property damage; passenger bodily injury liability of \$200,000 per passenger, multiplied by the number of seats or number of passengers, whichever is greater.

5252.232-9509 REIMBURSEMENT OF TRAVEL, PER DIEM, AND SPECIAL MATERIAL COSTS (NAVAIR) (MAY 2012) – (Applicable to the Seller only for cost-reimbursement contracts for non-commercial items, if travel and other costs described in the clause are awarded.)

(a) Area of Travel. Performance under this contract may require travel by contractor personnel. If travel, domestic or overseas, is required, the contractor is responsible for making all necessary arrangements for its personnel. These include but are not limited to: medical examinations, immunizations, passports/visas/etc., and security clearances. All contractor personnel required to perform

work on any U.S. Navy vessel shall obtain boarding authorization from the Commanding Officer of the vessel before boarding.

(b) Travel Policy. The Government will reimburse the contractor for allowable travel costs incurred by the contractor in performance of the contract in accordance with FAR Subpart 31.2.

Consistent with FAR Subpart 31.2, all costs incurred for lodging, meals and incidental expenses required for tasks assigned under this contract shall be considered reasonable and allowable only to the extent that they do not exceed on a daily basis the maximum per diem rates in effect at the time of travel as set forth in the Federal Travel Regulations, prescribed by the General Services Administration for travel in the conterminous 48 United States, (hereinafter the FTR); Joint Travel Regulation, Volume 2, DoD Civilian Personnel, Appendix A, prescribed by the Department of Defense, for travel in Alaska, Hawaii, The Commonwealth of Puerto Rico, and territories and possessions of the United States (hereinafter JTR); and Standardized Regulations (Government Civilians, Foreign Areas), Section 925, "Maximum Travel Per Diem Allowances for Foreign Areas," prescribed by the Department of State, for travel in areas not covered in the FTR or JTR (hereinafter the SR).

(c) Travel. Travel and subsistence are authorized for travel beyond a fifty-mile radius of the contractor's office whenever a task assignment requires work to be accomplished at a temporary alternate worksite. No travel or subsistence shall be charged for work performed within a fifty-mile radius of the contractor's office. The contractor shall not be paid for travel or subsistence for contractor personnel who reside in the metropolitan area in which the tasks are being performed. Travel performed for personal convenience, in conjunction with personal recreation, or daily travel to and from work at the contractor's facility will not be reimbursed.

(1) For travel costs other than described in paragraph (c) above, the contractor shall be paid on the basis of actual amount paid to the extent that such travel is necessary for the performance of services under the contract and is authorized by the COR in writing.

(2) When transportation by privately owned conveyance is authorized, the contractor shall be paid on a mileage basis not to exceed the applicable Government transportation rate as contained in the FTR, JTR or SR. Authorization for the use of privately owned conveyance shall be indicated in the basic contract. Distances traveled between points shall be shown on invoices as listed in standard highway mileage guides. Reimbursement will not exceed the mileage shown in the standard highway mileage guides.

(3) The contractor agrees, in the performance of necessary travel, to use the lowest cost mode commensurate with the requirements of the mission as set forth in the basic contract and in accordance with good traffic management principles. When it is necessary to use air or rail travel, the contractor agrees to use coach, tourist class, or similar accommodations to the extent consistent with the successful and economical accomplishment of the mission for which the travel is being performed.

(4) The contractor's invoices shall include receipts or other evidence substantiating actual costs incurred for authorized travel. In no event will such payments exceed the rates of common carriers.

(d) Vehicle and/or Truck Rentals. The contractor shall be reimbursed for actual rental/lease of special vehicles and/or trucks (i.e., of a type not normally used by the contractor in the conduct of its business) only if authorized in the basic contract or upon approval by the COR. Reimbursement of such rental shall be made based on actual amounts paid by the contractor. Use of rental/lease costs of vehicles and/or trucks that are of a type normally used by the contractor in the conduct of its business are not subject to reimbursement.

(e) Car Rental. The contractor shall be reimbursed for car rental, exclusive of mileage charges, as authorized in the basic contract or upon approval by the COR, when the services are required to be performed beyond the normal commuting distance from the contractor's facilities. Car rental for a team on TDY at one site will be allowed for a minimum of four (4) persons per car, provided that such number or greater comprise the TDY team.

(f) Per Diem. The contractor shall not be paid for per diem for contractor personnel who reside in the metropolitan areas in which the tasks are being performed. Per Diem shall not be paid on services performed within a fifty-mile radius of the contractor's home office or the contractor's local office. Per Diem is authorized for contractor personnel beyond a fifty-mile radius of the contractor's home or local offices whenever a task assigned requires work to be done at a temporary alternate worksite. Per Diem shall be paid to the contractor only to the extent that overnight stay is necessary and authorized under this contract. The authorized per diem rate shall be the same as the prevailing per diem in the worksite locality. These rates will be based on rates contained in the FTR, JTR or SR. The applicable rate is authorized at a flat seventy-five (75%) percent on the day of departure from contractor's home or local office, and on the day of return. Reimbursement to the contractor for per diem shall be limited to actual payments to per diem defined herein. The contractor shall provide actual payments of per diem defined herein. The contractor shall provide supporting documentation for per diem expenses as evidence of actual payment.

(g) Shipboard Stays. Whenever work assignments require temporary duty aboard a Government ship, the contractor will be reimbursed at the per diem rates identified in paragraph C8101.2C or C81181.3B(6) of the Department of Defense Joint Travel Regulations, Volume II.

(h) Special Material. "Special material" includes only the costs of material, supplies, or services which is peculiar to the ordered data and which is not suitable for use in the course of the contractor's normal business. It shall be furnished pursuant to specific authorization approved by the COR. The contractor will be required to support all material costs claimed by its costs less any applicable discounts. "Special materials" include, but are not limited to, graphic reproduction expenses, or technical illustrative or design requirements needing special processing.

5252.247-9510 PRESERVATION, PACKAGING, PACKING AND MARKING FOR FOREIGN MILITARY SALES (FMS) REQUIREMENTS (NAVAIR)(OCT 2005) – (The clause is only applicable to the Seller if it will make shipments under this contract directly to the Government.)

(a) Unless specified elsewhere in the contract, packing and packaging shall comply with MIL-STD-129 and other applicable DoD regulations. Packing and packaging materials shall provide protection from abuse during handling and from environmental, magnetic, and electrical damage during handling and subsequent future storage, possibly under less than desirable conditions.

(b) Marking: All unit and exterior containers/packs shall as a minimum be marked as follows:

- (1) FMS Case Number.
- (2) Part Number (with CAGE Code).
- (3) For - the organization/address the material is shipped to.
- (4) The applicable MILSTRIP number (identified separately for each line item of the contract/delivery order)
- (5) Project Code number.
- (6) Project Directive Line Item (PDLI) Number.
- (7) Requisition Serial Number (RSN).
- (8) Quantity.
- (9) From - the contractor's address shipped from.
- (10) Ship to - the shipping address provided in the contract.
- (11) Transportation Priority
- (12) Required Delivery Date

(c) The contractor shall affix labels to the outside of each external pack warning all handlers that fragile, delicate, etc., equipment is contained within and to warn against particular improper handling and storage procedures/conditions as may be applicable to the item(s) ordered.

Preservation, packaging, and marking of classified information to be furnished under Section J or Contractor equivalent form shall be in accordance with the National Security Program Operating Manual (DoD 5220.22-M) and Security Guidelines contained in the Contract Security Classification Specification, DD Form 254, Section J, Attachment (7).

Marking of Documents – All deliveries shall be marked with “Joint Strike Fighter Program, Contract XXXX” and the associated contract number. Additionally, the Contractor shall use one of the following distribution statements, as appropriate, for marking technical documents:

- DISTRIBUTION STATEMENT D. Distribution authorized to Department of Defense (DoD) and U.S. DoD contractors only [fill in reason and date of determination]. Other requests shall be referred to LOCKHEED MARTIN.
- DISTRIBUTION STATEMENT E. Distribution authorized to DoD components only [fill in reason and date of determination]. Other requests shall be referred to LOCKHEED MARTIN.*

* In accordance with DoD Directive 5230.24, the JSF Program Office, as the Controlling Office designated in the DoD Distribution Statement of this documentation/data, hereby authorizes the release of proprietary data to all Contractors that have executed a “Proprietary Information Agreement” with LOCKHEED MARTIN.

DISTRIBUTION STATEMENT X. Distribution authorized to U.S. Government Agencies and private individuals or enterprises eligible to obtain export-controlled technical data in accordance with DoD Directive 5230.25 (as of last date of determination). Controlling DoD office is the Joint Strike Fighter (JSF) Program Office/SC, 200 12th Street, South, Suite 600, Arlington, VA 22202.