

**LOCKHEED MARTIN AERONAUTICS COMPANY**  
**PRIME SUPPLEMENTAL FLOWDOWN DOCUMENT (PSFD)**  
**ADDITIONAL TERMS AND CONDITIONS**  
**FOR SUBCONTRACTS/PURCHASE ORDERS UNDER**  
**NIRL PRIME CONTRACT NUMBER N00019-16-C-0056**  
**Generated using Lockheed Martin CorpDocs 2015 Version**

**04 AUG 2016**

**ORIGINAL**

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

**PART I - The following clauses are deleted in their entirety from the applicable CorpDocs incorporated into this Contract:**

**RESERVED**

**PART II - MODIFICATIONS: The dates or versions of the following FAR, DFARS, and other agency clauses are modified as follows and are incorporated into the Contract:**

**RESERVED**

**PART III - ADDITIONS: The following FAR, DFARS, and other agency clauses are incorporated into this Contract in addition to those set out in the applicable CorpDocs:**

**FAR 52.204-14 SERVICE CONTRACT REPORTING REQUIREMENTS (JAN 2014)** (Applies if this Contract exceeds the thresholds in FAR 4.1703 except does not apply if the prime contract is funded by the Department of Defense. "Contractor" means "Lockheed Martin." The reports referred to in paragraph (f)(1) shall be furnished by S to Lockheed Martin by October 8 of each year. In paragraph (f)(2) the words "The Contractor shall advise the subcontractor" are changed to "Lockheed Martin advises Seller".)

**FAR 52.216-16 INCENTIVE PRICE REVISION FIRM TARGET (OCT 1997)** (Applies to Incentive Price Revision contracts)

**FAR 52.222-24 PREAWARD ON-SITE EQUAL OPPORTUNITY COMPLIANCE EVALUATION (FEB 1999)**

**FAR 52.227-1 Alt I Authorization And Consent (Dec 2007) - Alternate I (APR 1984)**

**FAR 52.227-3 PATENT INDEMNITY (APR 1984) Alt II** (Applies to Commercial Item (as defined in FAR 2.101) included within the end item deliverable.)

**FAR 52.232-17 INTEREST (MAY 2014)** (Applies if this Contract contains FAR clauses which expressly refer to an Interest clause, e.g. fixed price incentive contracts containing FAR 52.216-16 or FAR 52.216-17.)

**FAR 52.232-32 PERFORMANCE-BASED PAYMENTS (APR 2012)** (Applies if Seller is receiving Performance Based Payments. "Contracting Officer" and "Government" means "Lockheed Martin" except with respect to title for property where the references to the Government shall be unchanged. Subparagraph (c)(2) is deleted).

**FAR 52.232-39 UNENFORCEABILITY OF UNAUTHORIZED OBLIGATIONS (JUN 2013)**

**FAR 52.237-10 IDENTIFICATION OF UNCOMPENSATED OVERTIME (MAR 2015)** (Applicable if this contract is for professional or technical services to be acquired on the basis of the number of hours to be provided. "Offeror" means "Seller.") (Does not apply for Commercial Items as defined in FAR 2.101)

**FAR 52.245-9 USE AND CHARGES (APR 2012)** (Communications with the Government under this clause will be made through Lockheed Martin)

**FAR 52.246-2 ALT I - INSPECTION OF SUPPLIES FIXED-PRICE (JUL 1985)** ("Government" means "Lockheed Martin and the Government" except in paragraphs (f), (j), and (l) where it means "Lockheed Martin." "Contracting Officer" means "Lockheed Martin.") (Does not apply for Commercial Items as defined in FAR 2.101)

**FAR 52.246-7 INSPECTION OF RESEARCH AND DEVELOPMENT FIXED-PRICE (AUG 1996)**  
(Government" means "Lockheed Martin and the Government" in paragraphs (a), (b) and (c). "Government" means "Lockheed Martin" in paragraphs (d), (e), and (f). "Contracting Officer" means "Lockheed Martin.") (Does not apply for Commercial Items as defined in FAR 2.101)

**DFARS 252.203-7004 DISPLAY OF HOTLINE POSTERS (JAN 2015)** (Contact the Lockheed Martin Authorized Procurement Representative for the identity of the location specified in subparagraph (b)(2) of the clause.

**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 252.211-7008 USE OF GOVERNMENT-ASSIGNED SERIAL NUMBERS (SEP 2010)**  
(Applies if Seller will be in the possession of Government property for the performance of this Contract.)

**DFARS 252.219-7004 SMALL BUSINESS SUBCONTRACTING PLAN (TEST PROGRAM) (OCT 2014)** (Applies if Seller participants in the DoD Test Program for the Negotiation of Comprehensive Small Business Subcontracting Plans.) (Does not apply for Commercial Items as defined in FAR 2.101)

**DFARS 252.222-7007 REPRESENTATION REGARDING COMBATING TRAFFICKING IN PERSONS (JAN 2015)**

**DFARS 252.223-7006 PROHIBITION ON STORAGE AND DISPOSAL OF TOXIC AND HAZARDOUS MATERIALS (SEP 2014)** (Government" means "Lockheed Martin and Government.")

**DFARS 252.225-7047 EXPORTS BY APPROVED COMMUNITY MEMBERS IN PERFORMANCE OF THE CONTRACT (JUN 2013)** (The blanks paragraph (b) is completed as follows <TBD>.)

**DFARS 252.227-7014 ALTERNATE I - RIGHTS IN NONCOMMERCIAL COMPUTER SOFTWARE AND NONCOMMERCIAL COMPUTER SOFTWARE DOCUMENTATION (JUN 1995)**

**DFARS 252.227-7015 TECHNICAL DATA--COMMERCIAL ITEMS (FEB 2014)**

**DFARS 252.227-7021 RIGHTS IN DATA-EXISTING WORKS (MAR 1979)** (Applies if this contract requires the delivery of "existing works" as defined in the clause. "Government" means "Lockheed Martin and the Government.") (Does not apply for Commercial Items as defined in FAR 2.101)

**DFARS 252.227-7038 ALTERNATE I - PATENT RIGHTS-OWNERSHIP BY THE CONTRACTOR (LARGE BUSINESS) (DEC 2007)** (Applies if this Contract involves experimental, developmental, or research work.) (Does not apply for Commercial Items as defined in FAR 2.101)

**DFARS 252.227-7038 ALTERNATE II - PATENT RIGHTS-OWNERSHIP BY THE CONTRACTOR (LARGE BUSINESS) (DEC 2007)** (Applies if this Contract involves experimental, developmental, or research work.) (Does not apply for Commercial Items as defined in FAR 2.101)

**DFARS 252.232-7012 PERFORMANCE-BASED PAYMENTS--WHOLE-CONTRACT BASIS (MAR 2014)** (Applies if Seller is receiving Performance Based Payments)

**DFARS 252.234-7002 EARNED VALUE MANAGEMENT SYSTEM (MAY 2011)** (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)

**DFARS 252.234-7003 NOTICE OF COST AND SOFTWARE DATA REPORTING SYSTEM (NOV 2014)** (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)

**DFARS 252.234-7004 COST AND SOFTWARE DATA REPORTING SYSTEM (NOV 2014)** (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)

**DFARS 252.235-7003 ALTERNATE I -- FREQUENCY AUTHORIZATION (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 252.239-7000 PROTECTION AGAINST COMPROMISING EMANATIONS (JUN 2004)** (Applies if Seller is performing classified work under this Contract and the requirements of this clause have not be included in Seller's DD254. "Contracting Officer" means "Lockheed Martin." "Government" means "Lockheed Martin and the Government" in paragraphs (c) and (d).)

**DFARS 252.239-7001 INFORMATION ASSURANCE CONTRACTOR TRAINING AND CERTIFICATION (JAN 2008)** (Applies if Seller is accessing DoD information systems)

**DFARS 252.243-7002 REQUESTS FOR EQUITABLE ADJUSTMENT (DEC 2012)** ("Government" means "Lockheed Martin.") (Does not apply for Commercial Items as defined in FAR 2.101)

**DFARS 252.245-7001 TAGGING, LABELING, AND MARKING OF GOVERNMENT-FURNISHED PROPERTY (APR 2012)** (Applies if Work under this Contract is serially managed)

**DFARS 252.245-7004 REPORTING, REUTILIZATION, AND DISPOSAL (MAR 2015)** (Applies if Government property is located at Seller's facilities. "Contracting Officer" means Lockheed Martin.)

**DFARS 252.246-7000 MATERIAL INSPECTION AND RECEIVING REPORT (MAR 2008)**  
(Applies if items are directly shipped to the Government)

**DFARS 252.246-7001 WARRANTY OF DATA. MAR-14** ("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.")

**NAVAIR 5252.204-9501 NATIONAL STOCK NUMBERS (NAVAIR) (MAR 2007)** (Applies to items that are stock numbered under Federal Catalog System procedures. Contracting Officer" means "Lockheed Martin.")

**NAVAIR 5252.204-9504 DISCLOSURE OF CONTRACT INFORMATION (NAVAIR) (JAN 2007)**  
(Communications with the Contracting Officer shall be made through Lockheed Martin. In paragraph (b), 10 days is changed to 20 days.)

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

**5252.227-9505 TECHNICAL DATA AND COMPUTER SOFTWARE IDENTIFICATION IN ENGINEERING CHANGE PROPOSALS (ECPs) (NAVAIR) (AUG 1987)** (The term "Contractor" means "Seller.")

**NAVAIR 5252.227-9507 NOTICE REGARDING THE DISSEMINATION OF EXPORT-CONTROLLED TECHNICAL DATA (NAVAIR) (OCT 2005)** (Does not apply for Commercial Items as defined in FAR 2.101)

**NAVAIR 5252.227-9511 DISCLOSURE, USE AND PROTECTION OF PROPRIETARY INFORMATION (NAVAIR) (FEB 2009)** (The term "prime contractor" means "Seller.")

**NAVAIR 5252.228-9501 LIABILITY INSURANCE (NAVAIR) (MAR 1999)** (Applies if Seller will be performing work on a Government installation. The blanks in the clause are completed as follows: a) \$200,000 and 500,000; b) \$200,000, \$500,000, \$500,000; c) \$100,000; d) \$200,000, \$500,000, \$200,000, \$200,000.)

**NAVAIR 5252.247-9508 PROHIBITED PACKING MATERIALS (NAVAIR) (JUN 1998)** (Applies if Seller will make shipments under this contract directly to the Government.) (Does not apply for Commercial Items as defined in FAR 2.101)

**NAVAIR 5252.247-9509 PRESERVATION, PACKAGING, PACKING AND MARKING (NAVAIR) (JUL 1998)** Applies if Seller will make shipments under this contract directly to the Government. In subparagraph (b), "Contract Number" means "Lockheed Martin's prime contract number and the number assigned to this contract.")

#### **Part IV. SPECIAL PROVISIONS**

For purposes of this Section H, "Government" means the United States Government. The following Section H clauses are incorporated into the Contract in full-text:

#### **H-4 PRESERVATION OF RIGHTS FOR TECHNICAL DATA, COMPUTER SOFTWARE, AND COMPUTER SOFTWARE DOCUMENTATION ACCESSED, DELIVERED, OR PROVIDED ELECTRONICALLY**

Information, whether delivered pursuant to the Supplier Data Requirements List (SDRL) or provided in response to any other requirement contained in this contract, which would be deemed "technical data" under DFARS 252.227-7013, Rights in Technical Data–Noncommercial Items (FEB 2014), or "computer software" and "computer software documentation" under DFARS 252.227-7014, Rights in Noncommercial Computer Software and Noncommercial Computer Software Documentation (FEB 2014), if it were delivered in written form, shall not lose its status as technical data, computer software, or computer software documentation solely because access by the Government, delivery by the Seller, or provision by the Seller is by electronic means. The rights of Seller and the Government shall be as specified in DFARS 252.227-7013 and DFARS 252.227-7014.

#### **H-6 TECHNICAL DATA AND COMPUTER SOFTWARE IDENTIFICATION IN ENGINEERING CHANGE PROPOSALS (ECPs) (NAVAIR 5252.227-9505) (AUG 1987) (VARIATION)**

Each Engineering Change Proposal (ECP) submitted by Seller shall identify each item of technical data and computer software delivered by Seller under any prior Government contract required to be revised as a result of the proposed change and shall include an estimated price and cost proposal to furnish the revisions.

#### **H-14 INVESTMENT**

Any decision by Seller at, or prior to, the date of award of this Contract or at or prior to the date of execution of any modification to this Contract to (i) incur costs, by reason of investment or otherwise, that are not expressly included in writing in the Seller's bid, offer, or proposal to Lockheed Martin, agreed to by Lockheed Martin, and incorporated into this Contract's price, (ii) forego profit on costs, or (iii) apply a management decrement, is made at the sole risk of Seller. Seller acknowledges that the price of this Contract shall not be increased by any portion of incurred costs, foregone profit, or

management decrement, for any reason, including, but not limited to, a termination for convenience of this Contract, notwithstanding any provisions of this Contract or applicable regulations governing termination for convenience settlements of purchase orders under United States Government prime contracts, unless Lockheed Martin expressly agrees in writing to pay such portion. LOCKHEED MARTIN, as set forth in the clause of this Contract entitled "Termination for Convenience (Fixed Price)," or "Termination (Cost Reimbursement)," may terminate this Contract for any reason if Lockheed Martin determines that it is in Lockheed Martin 's interest to do so. The term "any reason" includes, but is not limited to, termination of the Lockheed Martin 's prime contract with the U.S. Government on any basis, convenience or default. A termination for default of this Contract is justified at any time where the circumstances provided in the clause of this Contract entitled "Default" apply.