

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

PRIME CONTRACT FA8615-10-C-6051
F-16 EGYPT UCA
Supplement to the 2010 CorpDoc Series

Generated using Lockheed Martin CorpDocs 2010 Version

24 March 2010

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, the following terms and conditions, applicable as noted, are incorporated by reference in addition to those other terms and conditions (the CorpDoc Series, etc.) to be used for subcontracts issued under such Prime Contract. The language of the incorporated clause(s) should be modified so that "Government" and "Contracting Officer" mean LOCKHEED MARTIN, "Contractor" means SELLER, and "Subcontractor" means SELLER's Subcontractors.

Add or modify the following FAR clauses as directed below:

1. FAR 52.203-6, "RESTRICTIONS ON SUBCONTRACTOR SALES TO THE GOVERNMENT" (SEP 2006). In the note accompanying this clause in CorpDoc Series, delete "\$100,000" and replace it with "the FAR simplified acquisition threshold, as defined in FAR 2.101."
2. FAR 52.203-12, "LIMITATION TO INFLUENCE CERTAIN FEDERAL TRANSACTIONS" (SEP 2005). SELLER's disclosure forms and those of SELLER's lower tier subcontractors will be provided to LOCKHEED MARTIN.
3. FAR 52.211-15, "DEFENSE PRIORITY AND ALLOCATION REQUIREMENTS" (APR 2008). Subcontracts which are issued under a rated prime contract must carry the same rating as the prime contract.

4. Add the following after FAR 52.215-10 and FAR 52.215-11:
“If LOCKHEED MARTIN is subject to any liability or expense, including without limitation Government withholding of payments, as the result of: 1) SELLER’s or its lower tier subcontractors’ submission and/or certification of alleged or actual defective cost or pricing data, as set forth in this clause or 2) their furnishing, as prospective subcontractors, of alleged or actual defective cost or pricing data, which data was certified or required to be certified by LOCKHEED MARTIN to be accurate, complete and current as of the date specified by LOCKHEED MARTIN in its Certificate of Current Cost or Pricing Data, and which data SELLER was given timely notice by LOCKHEED MARTIN to furnish and/or update prior to such date specified in such certificate; or 3) the Government Contracting Officer’s rejection of SELLER’s or SELLER’s lower-tier subcontractor’s claim for exception from submission of certified cost or pricing data on the basis that the price offered by the SELLER or lower-tier subcontractor is based on an established catalog or market price of a commercial item sold in substantial quantities to the general public, is a price set by law or regulation, is a commercial item; or, on any other basis set forth in 15.403-1 or other pertinent law or regulation; or 4) their furnishing data of any description that is allegedly or actually inaccurate as set forth in this clause, **then SELLER agrees to indemnify and hold LOCKHEED MARTIN harmless to the full extent of any damage or expense resulting from such action.**”

FAR 52.216-8, “FIXED FEE” (MAR 1997). “Government” and “Contracting Officer” mean “LOCKHEED MARTIN.” The last two sentences are deleted.

FAR 52.222-39, “NOTIFICATION OF EMPLOYEE RIGHTS CONCERNING PAYMENT OF UNION DUES OR FEES” (DEC 2004). Applies to all subcontracts that exceed the FAR simplified acquisition threshold, as defined in FAR 2.101.

FAR 52.222-50, “COMBATING TRAFFICKING IN PERSONS” (FEB 2009) with its ALT I (AUG 2007). "Contracting Officer" means "LOCKHEED MARTIN." In paragraph (e), "Government" means "LOCKHEED MARTIN and the Government."

FAR 52.227-21, “TECHNICAL DATA DECLARATION, REVISION AND WITHHOLDING OF PAYMENT – MAJOR SYSTEMS” (DEC 2007). “Contracting Officer” means “LOCKHEED MARTIN.” “Government” means “LOCKHEED MARTIN” in paragraph (b)(2) and “LOCKHEED MARTIN or Government” in paragraph (d).

FAR 52.228-3, “WORKERS’ COMPENSATION INSURANCE (DEFENSE BASE ACT)” (APR 1984). Applies if SELLER will perform Work subject to the Defense Base Act (42 U.S.C. 1651 et. seq.).

FAR 52.232-7, “PAYMENTS UNDER TIME-AND-MATERIALS AND LABOR-HOUR CONTRACTS” (FEB 2007). "Government" and "Contracting Officer" mean “LOCKHEED MARTIN.” The third sentence of paragraph (a)(8) is deleted. In paragraph (f) "one year" is changed to "six months," and in paragraph (g)(2) "6 years" is changed to

"five years." Paragraphs (c) and (i) are deleted. The reference to the Allowable Cost and Payment clause in paragraph (b)(4) means FAR 52.216-7 which is incorporated into this contract by reference.

FAR 52.232-16, "PROGRESS PAYMENTS" (APR 2003). "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."

FAR 52.243-3, "CHANGES –TIME-AND-MATERIALS OR LABOR-HOURS" (SEP 2000).

FAR 52.245-9, "USE AND CHARGES" (JUN 2007). Applies if Government property is provided. Communications with the Government under this clause will be made through LOCKHEED MARTIN.

Add or modify the following DFARS and AFMC clauses:

1. DFARS 252.225-7006***, "QUARTERLY REPORTING OF ACTUAL CONTRACT PERFORMANCE OUTSIDE THE UNITED STATES" (MAY 2007). Applies if this PO exceeds \$550,000. Paragraph (f) is deleted.
2. DFARS 252.225-7007, "PROHIBITION ON ACQUISITION OF UNITED STATES MUNITIONS LIST ITEMS FROM COMMUNIST CHINESE MILITARY COMPANIES" (SEP 2006). Applies if this Contract is for an Item on the U.S. Munitions List.
3. DFARS 252.225-7012, "PREFERENCE FOR CERTAIN DOMESTIC COMMODITIES" (MAR 2008). Applies if SELLER is furnishing any of the Items covered by this clause.
4. DFARS 252.225-7013, "DUTY-FREE ENTRY" (OCT 2006). 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.
5. 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.
6. DFARS 252.225-7043, "ANTITERRORISM/FORCE PROTECTION POLICY FOR

DEFENSE CONTRACTORS OUTSIDE THE UNITED STATES” (MAR 2006).
Applies if this Contract involves travel or performance outside the U.S.

7. DFARS 252.243-7002, “REQUESTS FOR EQUITABLE ADJUSTMENT” (MAR 1998). “Government” means “LOCKHEED MARTIN.”
8. DFARS 252.244-7000, “SUBCONTRACTS FOR COMMERCIAL ITEMS AND COMMERCIAL COMPONENTS (DOD CONTRACTS) (AUG 2009).
9. DFARS 252.246-7000, “MATERIAL INSPECTION AND RECEIVING REPORT” (MAR 2008). Applies if this Contract requires delivery of Items directly to LOCKHEED MARTIN’s customer.
10. AFFARS 5352.223-9000, “ELIMINATION OF USE OF CLASS I OZONE DEPLETING SUBSTANCES (ODS)” (APR 2003).
11. AFMC 5352.227-9000, “EXPORT-CONTROLLED DATA RESTRICTIONS (AFMC)” (JUL 1997):

“CO” means “LOCKHEED MARTIN”

(a) For purposes of this clause,

(1) Foreign person is any person who is not a citizen or national of the U.S. or lawfully admitted to the U.S. for permanent residence under the Immigration and Nationality Act, and includes foreign corporations, international organizations, and foreign governments;

(2) Foreign representative is anyone, regardless of nationality or citizenship, acting as an agent, representative, official, or employee of a foreign government, a foreign-owned or influenced firm, corporation or person;

(3) Foreign sources are those sources (vendors, subcontracts, and suppliers) owned and controlled by a foreign person.

(b) The Contractor shall place a clause in subcontracts containing appropriate export control restrictions, set forth in this clause.

(c) Nothing in this clause waives any requirement imposed by any other U.S.

Government agency with respect to employment of foreign nationals or export controlled data and information.

(d) Equipment and technical data generated or delivered under this contract are controlled by the International Traffic and Arms Regulation (ITAR), 22 CFR Sections 121 through 128. An export license is required before assigning any foreign source to perform work under this contract or before granting access to foreign persons to any equipment and technical data generated or delivered during performance (See 22 CFR Section 125). The Contractor shall notify the Contracting Officer and obtain written approval of the Contracting Officer prior to assigning or granting access to any work, equipment, or technical data generated or delivered under this Contract to foreign persons or their representatives. The notification shall include the name and country of origin of the foreign person or representative, the specific work, equipment, or data to which the person will have access, and whether the foreign person is cleared to have access to

technical data (DoD 5220.22-M, National Industrial Security Program Operating Manual (NISPOM)).

12. AFFARS 5352.227-9002, "VISIT REQUESTS BY FOREIGN-OWNED OR CONTROLLED FIRMS (AFMC)" (JUL 1997).

Special Clause:

1. SYK-FAC-002 "USE OF OTHER GOVERNMENT PROPERTY" (OCT 2003):

a. In the performance of the requirements under this Contract, the Contractor 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 the Contractor and/or its subcontractors or heretofore furnished to the Contractor and/or its subcontractors as Government Furnished Property and presently in its or their possession which shall have been determined by the appropriate Administrative Contracting Officer (ACO) to be available for the performance of the work called for by this Contract in accordance with FAR 52.245-1 "Government Property", as appropriate. 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 the Contractor and/or subcontractors may be modified as necessary for the performance of this Contract as approved by the ACO.

*** Provision does not apply to commercial items.