

LOCKHEED MARTIN CORPORATION

PRIME SUPPLEMENTAL FLOWDOWN DOCUMENT (PSFD)

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

U.S. NAVY'S FOREIGN MILITARY SALE
TAIWAN P-3C UPGRADE PROGRAM
IWTA NUMBER 770283W

Generated using Lockheed Martin CorpDocs 2008 Version

21 November 2008

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.

1. Add the following H Clause:

H001 Government Industry Data Exchange Program (applicable to each subcontract over \$500,000)

(a) The Seller shall provide and maintain procedures to enable his full participation in the failure experience data interchange of the Government Industry Data Exchange Program (GIDEP), in accordance with the latest revision of MIL-STD-1556. Compliance with this clause shall not relieve the Seller from complying with any other provision of the contract. The Seller shall maintain status of GIDEP failure experience reports and shall provide GIDEP Annual Progress Report in accordance with DI-QCIC-

80121, paragraph 10.2.

(b) The Seller shall prepare GIDEP ALERTS in accordance with DI-QCIC- 80126, paragraph 10.1, for material discrepancies which have adversely impacted or have the potential to adversely impact spare/repair parts reliability.

(c) Appropriate action, as deemed necessary by the Seller, shall be taken in response to GIDEP ALERTS received which may impact materials procured hereunder.

2. Add the following Naval Air System Supplement Contract clauses:

5252.247-9508 Prohibited Packing Materials (NAVAIR) (JUN 1998)

(Applies if Seller will make shipments under this subcontract directly to the Government)

The use of asbestos, excelsior, newspaper or shredded paper (all types including waxed paper, computer paper and similar hydroscopic or non-neutral material) is prohibited. In addition, loose fill polystyrene is prohibited for shipboard use.

5252.247-9510 Preservation, Packaging, Packing and Marking for Foreign Military Sales (FMS) Requirements (NAVAIR) (OCT 2005) (Applies if Seller will make shipments under this subcontract 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 Seller's address shipped from.
- (10) Ship to - the shipping address provided in the contract. (11) Transportation Priority
- (12) Required Delivery Date

(c) The Seller 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.

5252.223-9501 Material Safety Data Sheet (MSDS) (NAVAIR) (OCT 2005) (Applies if Seller is to provide hazardous materials)

(a) The Seller shall forward the Material Safety Data Sheet (MSDS) required under FAR Clause 52.223-3, "Hazardous Material Identification and Material Safety Data", to Lockheed Martin.

(b) One copy of the MSDS shall be enclosed with the shipping documents. If the shipment is received without an attached copy of the MSDS, Lockheed Martin has the right to refuse receipt.

3. Add the following DFARS Clauses:

252.246-7000 Material Inspection And Receiving Report (AUG 1996) (Applicable if Seller delivers items directly to the Government)

252.225-7012 Preference For Certain Domestic Commodities (JUN 2004) (Applicable if Seller is furnishing any of the items covered by this clause)

252.225-7028 Exclusionary Policies And Practices Of Foreign Government (APR 2003)

252.243-7002 Requests for Equitable Adjustment (MAR 1998) ("Government" means "Lockheed Martin")