

**PRIME CONTRACT NO. GHQ/3/CA/004/16**

**Qatar Armed Forces**

**Rate Running Contract**

**Prime Supplemental Flowdown Document**

**ORIGINAL- 7 JULY 2017**

For all subcontracts issued under the subject Prime Contract (hereinafter also referred to as "QAF RRC"), the following terms and conditions, applicable as noted, are incorporated by reference in addition to those other terms and conditions (Lockheed Martin CORPDOC series) to be used for subcontracts issued under such Prime Contract. Relevant portions of the Prime Contract excerpted hereto and incorporated as part of this Supplement. Other provisions from the Prime Contract are amended and included herein.

**PART I – PRIME FLOWDOWNS**

No specific provisions from the Prime Contract are required to flow down.

**PART II – LIQUIDATED DAMAGES**

**1. LIQUIDATED DAMAGES FOR LATE DELIVERY OF SPARES**

- 1.1. SELLER shall deliver spares in accordance with the delivery schedule specified in the accepted Purchase Order.
- 1.2. Except where the delay is attributable to Force Majeure, LOCKHEED MARTIN shall be entitled to receive and SELLER shall pay liquidated damages accruing at the rate of one percent (1%) of the price of the delayed item which is subject to delay for each full day after the scheduled delivery date. The liquidated damages charged shall not exceed fifteen percent (15%) of the price of the item.
- 1.3. SELLER agrees that liquidated damages in the foregoing amounts are reasonable in light of the anticipated harm caused by the late delivery, the difficulties of the proof of loss, and the inconvenience or non-feasibility of otherwise obtaining an adequate remedy.
- 1.4. In no event shall failure to assess liquidated damages be considered a waiver of LOCKHEED MARTIN's rights in this or any other articles or clauses. Except for the non-performance of subcontractors at any tier, SELLER shall not be liable for liquidated damages if the failure to deliver Work on time arises from causes beyond the control and without the fault or negligence of SELLER.

- 1.5. The remedies contained in this clause are in addition to any remedies LOCKHEED MARTIN may have at law, equity, or under other provisions of the Contract to which this SSOW is attached.

### **PART III – OTHER REQUIREMENTS**

In such cases where LOCKHEED MARTIN orders a repair of an item, no repair work beyond test, teardown, and evaluation may be conducted without prior authorization of LOCKHEED MARTIN. SELLER agrees to provide an estimated repair cost for authorization by LOCKHEED MARTIN and the end customer in accordance with the LM purchase order text.