



LOCKHEED MARTIN CORPORATION

PRIME SUPPLEMENTAL FLOWDOWN DOCUMENT (PSFD)

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

F-35 LRIP 11 Non-Annualized Sustainment N00019-18-C-1048 (formally N00019-16-R-0052)

Generated using the 2016 version of CorpDocs

REVISION 3: January 7, 2021

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.

PART I. DELETIONS: 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:

FAR 52.204-10 Reporting Executive Compensation and First-Tier Subcontract Awards (OCT 2016) (Subparagraph (d)(2) does not apply. 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 System for Award Management (SAM) database. All information posted will be available to the general public.)

FAR 52.204-21 BASIC SAFEGUARDING OF COVERED CONTRACTOR INFORMATION SYSTEMS (JUN 2016) (Applicable to all subcontracts in which the subcontractor may have Federal contract information residing in or transiting through its information system.)

FAR 52.219-8 Utilization of Small Business Concerns (NOV 2016)

FAR 52.219-9 Small Business Subcontracting Plan (NOV 2016) (Applies if this contract exceeds \$700,000. Does not apply if Seller is a small business concern. "Contracting Officer" means "Lockheed Martin" in paragraph (c). Seller's subcontracting plan is incorporated herein by reference.)

FAR 52.222-26 Equal Opportunity (SEP 2016)

FAR 52.222-37 Employment Reports on Veterans (FEB 2016) (Applies if this contract is for \$150,000 or more.)

FAR 52.223-11 OZONE DEPLETING SUBSTANCES AND HIGH GLOBAL WARMING POTENTIAL HYDROFLUOROCARBONS (JUN 2016) (Applies if Work contains or is manufactured with ozone depleting substances.)

FAR 52.234-1 INDUSTRIAL RESOURCES DEVELOPED UNDER TITLE III, DEFENSE PRODUCTION ACT (SEPT 2016) ("Contracting Officer" means "Lockheed Martin")

FAR 52.244-6 SUBCONTRACTS FOR COMMERCIAL ITEMS (NOV 2017)

FAR 52.245-1 GOVERNMENT PROPERTY (JAN 2017) (Applies if Government property will be acquired or furnished during the performance of this Contract.) ("Contracting Officer" means "Lockheed Martin" except in the definition of Property Administrator and in paragraphs (h)(1)(iii) where it is unchanged, and in paragraphs (c) and (h)(4) where it includes Lockheed Martin. "Government" is unchanged in the phrases "Government property" and "Government furnished property" and where elsewhere used except in paragraph (d)(1) where it means "Lockheed Martin" and except in paragraphs (d)(2) and (g) where the term includes Lockheed Martin." The following is added as paragraph (n) "Seller shall provide to Lockheed Martin immediate notice if the Government or other customer (i) revokes its assumption of loss under any direct contracts with Seller, or (ii) makes a determination that Seller's property management practices are inadequate, and/or present an undue risk, or that Seller has failed to take corrective action when required."

DFARS 252.203-7004 DISPLAY OF HOTLINE POSTERS (OCT 2016) (Not applicable to subcontracts performed entirely outside of the United States. Contact the Lockheed Martin Authorized Procurement Representative for the identity of the location specified in subparagraph (b)(2) of the clause.)

DFARS 252.204-7009 LIMITATIONS ON THE USE OR DISCLOSURE OF THIRD PARTY CONTRACTOR REPORTED CYBER INCIDENT INFORMATION (OCT 2016) (Applies if this Contract involves services that include support for the Government's activities related to safeguarding covered defense information and cyber incident reporting.)

DFARS 252.204-7012 SAFEGUARDING COVERED DEFENSE INFORMATION AND CYBER INCIDENT REPORTING (OCT 2016) (Applies if this Contract is for operationally critical support or for which subcontract performance will involve covered defense information.) (Seller shall furnish Lockheed Martin copies of notices provided to the Contracting Officer at the time such notices are sent. Seller shall also furnish Lockheed Martin copies of any reports Seller receives from its lower tier subcontractors.)

DFARS 252.225-7001 BUY AMERICAN AND BALANCE OF PAYMENTS PROGRAM (DEC 2017)

DFARS 252.225-7012 PREFERENCE FOR CERTAIN DOMESTIC COMMODITIES (DEC 2017) (Applies if SELLER is furnishing any of the items covered by this clause.)

DFARS 252.225-7013 DUTY FREE ENTRY (MAY 2016) (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.)

DFARS 252.227-7019 VALIDATION OF ASSERTED RESTRICTIONS – COMPUTER SOFTWARE (SEP 2016) (Applies if this Contract requires the delivery of computer software.) ("Contracting Officer" means "Lockheed Martin" or "Contracting Officer.")

DFARS 252.227-7037 VALIDATION OF RESTRICTIVE MARKINGS ON TECHNICAL DATA (SEP 2016) (Applies if this Contract requires the delivery of technical data.)

DFARS 252.246-7007 CONTRACTOR COUNTERFEIT ELECTRONIC PART DETECTION AND AVOIDANCE SYSTEM (AUG 2016) (Paragraph (a) through (e) apply. To the extent this clause conflicts with other provisions of this contract, this clause shall prevail. In paragraph (c)(2) "Government" means "Lockheed Martin and the Government." In paragraph (c)(6) "Contracting Officer" means "Lockheed Martin and the Contracting Officer.")

DFARS 252.246-7008 SOURCES OF ELECTRONIC PARTS (DEC 2017) (Applies if this Contract is for electronic parts or assemblies containing electronic parts, unless Seller is the original manufacturer.) (As used in the clause, "Contracting Officer" means "Lockheed Martin and the Contracting Officer." The term "Government" means "Lockheed Martin and the Government" except in paragraph (d).)

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 52.203-16 PREVENTING PERSONAL CONFLICTS OF INTEREST (NOV 2011) (Applicable to all subcontracts that exceed \$150,000; and in which subcontractor employees will perform acquisition functions closely associated with inherently governmental functions. Not applicable to Commercial Items as defined in FAR 2.101.)

FAR 52.222-17 NONDISPLACEMENT OF QUALIFIED WORKERS (MAY 2014). (Applicable to subcontracts for services in excess of \$150,000. Not applicable to Commercial Items as defined in FAR 2.101.)

FAR 52.222-55 MINIMUM WAGES UNDER EXECUTIVE ORDER 13658 (DEC 2014) (Applicable to all subcontracts, regardless of dollar value, that are subject to the Service Contract Labor Standards statute or the Wage Rate Requirements (Construction) statute, and are to be performed in whole or in part in the United States.)

FAR 52.228-3 WORKER'S COMPENSATION INSURANCE (DEFENSE BASE ACT) (JUL 2014) (Applicable to all subcontracts subject to the Defense Base Act.)

FAR 52.228-4 WORKERS' COMPENSATION AND WAR-HAZARD INSURANCE OVERSEAS (APR 1984). (Applicable to all subcontracts to which the Defense Base Act would apply but for the waiver.)

FAR 52.229-8 TAXES--FOREIGN COST-REIMBURSEMENT CONTRACTS (MAR 1990). (In paragraph (b), "Contracting Officer" and "Government of the United States" mean "Lockheed Martin." The blank is completed with Government Identified in the clause in the prime contract; TBD. Not applicable to Commercial Items as defined in FAR 2.101.)

FAR 52.229-9 TAXES--COST-REIMBURSEMENT CONTRACTS WITH FOREIGN GOVERNMENTS (MAY 1990) (The blank is completed with Government Identified in the clause in the prime contract; TBD)

FAR 52.245-9 USE AND CHARGES (APR 2012) (Applicable to all subcontracts where Government property will be provided. Communications with the Government under this clause will be made through Lockheed Martin)

DFARS 252.209-7010 CRITICAL SAFETY ITEMS (AUG 2011) (Applicable for subcontractors furnishing critical items for the contract.)

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. Does not apply where Lockheed Martin will assume responsibility for marking the property)

DFARS 252.219-7004 SMALL BUSINESS SUBCONTRACTING PLAN (TEST PROGRAM) (OCT 2014). (Not applicable to Commercial Items as defined in FAR 2.101; applicable to participants in the DoD Test Program for the Negotiation of Comprehensive Small Business Subcontracting Plans)

DFARS 252.225-7030 RESTRICTION ON ACQUISITION OF CARBON, ALLOY, AND ARMOR STEEL PLATE (DEC 2006). (Applies if this order is if for carbon, alloy, and armor steel plate in Federal supply class 9515, or described by American Society for Testing Materials (ASTM) or American Iron and Steel Institute (AISI) specifications. Not applicable to Commercial Items as defined in FAR 2.101)

DFARS 252.228-7001 GROUND AND FLIGHT RISK (JUN 2010) (In paragraph (a)(1)(i) "this contract" means "the prime contract." The following is added at the beginning of the clause: "Communications between SELLER and the Government shall be made through Lockheed Martin. Any equitable adjustment provided for this clause shall be implemented in this contract to the extent such adjustment is implemented in the prime contract." Subparagraphs (d)(2)(ii), (d)(3)(ii) and the last sentence of subparagraph (j)(2) are deleted. The provision of this clause relating to assumption of risk by the Government are not applicable to SELLER unless this contract includes language stating the Government has agreed to assume such risk of loss.)

DFARS 252.234-7002 EARNED VALUE MANAGEMENT SYSTEM (MAY 2011). ("Government" means "Lockheed Martin and Government." Paragraphs (i) and (j) are deleted. Not applicable to Commercial Items as defined in FAR 2.101)

DFARS 252.234-7004 ALT I COST AND SOFTWARE DATA REPORTING SYSTEM--ALTERNATE I (NOV 2014) (Applicable to subcontracts in excess of \$50,000,000. In paragraph (b), "Government" means Lockheed Martin. Not applicable to Commercial Items as defined in FAR 2.101)

DFARS 252.237-7010 PROHIBITION ON INTERROGATION OF DETAINEES BY CONTRACTOR PERSONNEL (JUN 2013) (Applicable to subcontracts that may require subcontractor personnel to interact with detainees in the course of their duties.)

DFARS 252.239-7001 INFORMATION ASSURANCE CONTRACTOR TRAINING AND CERTIFICATION (Applicable for subcontracts whose personnel will be required to access DoD

information systems. Should a subcontractor need to access DoD information systems, the individual will be made subject to the same certification requirements as Lockheed Martin personnel.)

DFARS 252.243-7002 REQUESTS FOR EQUITABLE ADJUSTMENT (DEC 2012). (Applicable to subcontracts over \$150,000. "Government" means "Lockheed Martin." Not applicable to Commercial Items as defined in FAR 2.101))

DFARS 252.245-7001 TAGGING, LABELING, AND MARKING OF GOVERNMENT-FURNISHED PROPERTY (APR 2012). (Applicable when items furnished by the subcontractor will be subject to serialized tracking.)

DFARS 252.245-7004 REPORTING, REUTILIZATION, AND DISPOSAL (MAR 2015)
(Applicable if government property is located at supplier facility. "Contracting Officer" means Lockheed Martin.)

DFARS 252.246-7000 MATERIAL INSPECTION AND RECEIVING REPORT (MAR 2008).
(Applicable for subcontracts that authorize direct shipments by the subcontractor to the Government.)

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.)

(a) The Contractor shall not release to anyone outside the Contractor's organization any unclassified information (e.g., announcement of contract award), regardless of medium (e.g., film, tape, document), pertaining to any part of this contract or any program related to this contract, unless the Contracting Officer has given prior written approval.

(b) Requests for approval shall identify the specific information to be released, the medium to be used, and the purpose for the release. The Contractor shall submit its request to the Contracting Officer at least ten (10) days before the proposed date for release.

(c) The Contractor agrees to include a similar requirement in each subcontract under this contract. Subcontractors shall submit requests for authorization to release through the prime contractor to the Contracting Officer.

NAVAIR 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) The Contracting Officer will make final determination of compliance with regulations with regard to proper identification of contractor employees.

NAVAIR 5252.227-9507 NOTICE REGARDING THE DISSEMINATION OF EXPORT-CONTROLLED TECHNICAL DATA (NAVAIR) (OCT 2005) (Not applicable to Commercial Items as defined in FAR 2.101)

(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.

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

(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. The ISC has no obligation to the prime contractor. The prime contractor 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 prime contractor 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 prime contractor.

(e) To protect any such proprietary information from disclosure or use, and to establish the respective rights and duties of both the ISC and prime contractor, the prime contractor agrees to enter into a direct agreement with any ISC as the Government requires. A properly executed copy (per FAR 9.505-4) of the agreement will be provided to the Procuring Contracting Officer.

NAVAIR 5252.228-9501 LIABILITY INSURANCE (NAVAIR) (MAR 1999) (Applies if Seller will be performing work on a Government installation.)

The following types of insurance are required in accordance with the clause entitled, FAR 52.228-5, "Insurance--Work on a Government Installation" and shall be maintained in the minimum amounts shown:

- (a) Comprehensive 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 Workman's 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 limits of \$[\$200,000] per passenger, multiplied by the number of seats or number of passengers, whichever is greater.

NAVAIR 5252.232-9509 TRAVEL APPROVAL AND REIMBURSEMENT PROCEDURES (NAVAIR) (OCT 2013) - ALT I (Applicable to all subcontracts that will provide for reimbursement of travel and other costs covered by this clause. Not applicable to Commercial Items as defined in FAR 2.101)

- (a) General. 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.
- (b) Travel Approval Process. No prior approval is required for travel under this contract.
- (c) Travel Policy.
 - (1) Travel arrangements shall be planned in accordance with the Federal Travel regulations, prescribed by the General Services Administration for travel in the conterminous 48 United States, (hereinafter the FTR) and the Joint Travel Regulation, Volume 2, DoD Civilian Personnel, Appendix A, prescribed by the Department of Defense (hereinafter the JTR).
 - (2) 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.
 - (3) For purposes of reimbursement of travel expenses, the Contractor's official station is defined as within 50 miles of the Contractor's regular work site. (If Contractor has more than one regular work site, the official station is defined as within 50 miles of each of its regular work sites.)
 - (4) The Contractor's documentation for the reimbursement of travel costs (e.g., receipts) shall be governed as set forth in FAR Subpart 31.2, the FTR, and the JTR.
 - (5) Car Rental for a team on temporary duty (TDY) at one site will be allowed provided that only one car is rented for every four (4) members of the TDY team. In the event that less than four (4) persons comprise the TDY team, car rental will be allowed if necessary to complete the mission required.
 - (6) Whenever work assignments require TDY aboard a Government ship, the Contractor will be reimbursed at the per diem identified in the JTR.

NAVAIR 5252.232-9529 INCURRED COST REPORTING AND PROGRESS REPORTING FOR SERVICES (NAVAIR) (JUN 2014) (Not applicable to Commercial Items as defined in FAR 2.101)

The following applies to the prime contractor and all subcontractors. If desired, a subcontractor may directly submit the required documentation in accordance with contract CDRL [insert appropriate CDRL number]. When a subcontractor submits directly to the Government, the prime contractor shall highlight the subcontractor costs to be directly submitted to the Government.

(a) **General:** The contractor shall provide supporting documentation as a supplement to each invoice submitted for payment in accordance with the requirements of this clause and CDRL [insert appropriate CDRL number]. This documentation shall include the elements outlined below and, at a minimum, be submitted jointly with the invoice.

(b) **Incurred Costs:** For cost reimbursable service contracts and for cost reimbursable contract line items for or related to services, the contractor shall segregate costs incurred and utilize the data tables outlined in attachment [insert appropriate contract attachment number] to provide the detail required below. The total of all cost elements below shall match the applicable invoiced amount(s). If a particular element is not applicable or there are no costs associated to a particular element, the tables shall state "Not Applicable." Documentation required herein that is not reported as part of the data tables shall be included as a separate attachment or otherwise made available for review in a location accessible to the Government with notification of this location provided to the Procuring Contracting Officer.

(1) **Summary:** An incurred cost summary shall be reported by completing the "Header" and "Invoice Summary" tabs included in attachment [insert appropriate contract attachment number].

(2) **Labor:** Incurred costs for labor shall be reported by completing the "Invoiced Labor" tab, and, if applicable, the "If Individuals>Hourly Tripwire" tab included in attachment [insert appropriate contract attachment number]. Additional information regarding individual labor categories and fully burdened labor rates shall be provided upon request.

(3) **Other Direct Costs (ODCs), including Travel and Material:** Total fully burdened other direct costs shall be reported by completing the "Invoice Summary" tab included in attachment [insert appropriate contract attachment number]. In addition, an itemized listing of the unburdened other direct charges, including travel and material, shall be provided. For material greater than \$3,000, the invoice number, date, total amount, company, purchase order number, and description of each item shall be documented. For travel, the dates, destinations, names of individuals traveling, purpose and total cost shall be documented. A copy of the travel voucher with accompanying receipts shall be provided upon request. For material less than \$3,000, supplemental data shall be provided upon request. The following statement regarding ODCs and Labor shall also be included, if applicable: "No fee has been applied to ODCs, and the applicable fee and pass through rate do not exceed those identified in NAVAIR Clause 5252.215-9512, Saving Clause."

NAVAIR 5252.247-9508 PROHIBITED PACKING MATERIALS (NAVAIR) (JUN 1998)
(Applicable if the subcontractor will be making shipments 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.

NAVAIR 5252.247-9509 PRESERVATION, PACKAGING, PACKING AND MARKING (NAVAIR) (JUL 1998) (Applicable if the subcontractor will be making shipments directly to the Government.)

(a) Preservation, packaging and packing shall conform to prevailing industry standards for the type of commodity purchased under this contract.

(b) All packages will be clearly marked with applicable contract number/delivery order number, and will contain appropriate packing slip. All deliveries will be marked for and/or consigned as follows:

(Specific Instructions To Be Determined Upon Contract Award)

(c) In the event of any discrepancy in material shipped (overage, technical rejection, damage), the contractor shall, immediately upon request of the Contracting Officer, furnish disposition instructions. Normally, such disposition instruction shall be a properly completed Commercial Bill of Lading, which includes, but is not limited to, the mode of shipment, routing, special handling, and so forth.

(d) If the contractor is required to install equipment upon delivery, then the contractor shall inform the Government of the date of shipment from the contractor's facilities and the anticipated date of arrival at the site. This report shall be made no later than the actual date that the shipment is made from the contractor's facilities. The report may be made by facsimile or e-mail, to the point of contact listed in Section G. All transportation, rigging, drayage, packing, unpacking, and handling necessary to accomplish the installation shall be the responsibility of the contractor.

NAVAIR 5252.247-9510 PRESERVATION, PACKAGING, PACKING AND MARKING FOR FOREIGN MILITARY SALES (FMS) REQUIREMENTS (NAVAIR)(OCT 2005) (Applicable if the subcontractor will be making shipments 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.

H-18 PROPULSION SYSTEM INTEGRATION (Applicable to all subcontractors who have a role in the integration of the propulsion system into the JSF Air System and management of JSF Propulsion System processes as they relate to the JSF Air System.)

The following clause is included in the Air System Contractor (ASC) and Propulsion System Contractor (PSC) contracts to establish the roles and responsibilities for all parties concerning integration of the propulsion system into the JSF Air System and management of JSF Propulsion System processes as they relate to the JSF Air System.

Any Associate Contractor Agreement to which the Contractor is a party shall be consistent with facilitating the Contractor's obligations under this clause.

(a) The ASC shall:

- (1) ensure successful JSF Propulsion System Integration and installation of the propulsion system with the Air System;
- (2) ensure successful integration of the JSF Propulsion System and propulsion sustainment systems into the Autonomic Logistics Information System,
- (3) align logistics support system resources to support JSF Propulsion System requirements,
- (4) ensure necessary JSF Propulsion System Autonomic Logistics Data Flows and Air Vehicle and Autonomic Logistics Information System Functionality,
- (5) works with the PSC to meet the overall performance of the JSF GFE propulsion system and propulsion sustainment systems meet all requirements defined in this contract and to integrate and install JSF Propulsion Systems and propulsion sustainment systems into the production Air System, including support of the logistics support system requirements allocation process,
- (6) prepare and coordinate Major Variance Requests (MVRs) and Engineering Change Proposals (ECPs) with the PSC and JPO,
- (7) review MVRs and ECPs provided by the PSC and identify and notify the PSC and JPO of any impacts to the JSF Air system, and
- (8) update the documents identified in paragraph (c)(4) as appropriate.

(b) The PSC shall (but the ASC is not responsible for):

- (1) coordinate and cooperate with the ASC concerning JSF Propulsion System Integration and installation of the propulsion system with the Air System,
- (2) coordinate and cooperate with ASC concerning successful integration of the JSF Propulsion System and propulsion sustainment systems into the Autonomic Logistics Information System,
- (3) coordinate and cooperate with ASC concerning alignment of logistics support system resources to support JSF Propulsion System requirements,
- (4) coordinate and cooperate with ASC to ensure development of systems that ensure necessary JSF Propulsion System Autonomic Logistics Data Flows, and Air Vehicle and Autonomic Logistics Information System Functionality, including delivery of necessary JSF Propulsion System sustainment and configuration management data in proper formats necessary for ALIS functionality
- (5) coordinate and cooperate with the ASC to ensure the overall performance of the JSF Propulsion System and propulsion sustainment systems meet all requirements defined in this contract and work with the ASC to integrate and install JSF Propulsion System and propulsion sustainment systems into the production Air System, including support of the logistics support system requirements allocation process,
- (6) prepare and coordinate Major Variance Requests (MVRs) and Engineering Change Proposals (ECPs) with the ASC and JPO,
- (7) review MVRs and ECPs provided by the ASC and identify and notify the ASC and JPO of any impacts to the JSF Propulsion System, and
- (8) support ASC efforts to update the documents identified in paragraph(c)(4).

(c) The ASC and PSC shall:

- (1) participate on the JSF Propulsion IPT to cooperatively identify, manage, and resolve air system and propulsion system anomalies associated with development, production, installation, operation, and sustainment of the JSF Propulsion Systems in the JSF Air System,

- (2) participate in Program reviews, IPT reviews, and working groups between the ASC and PSC. Provide timely notification and recommendation to the JPO to mitigate production and sustainment risks resulting from schedule, technical, logistics or resource complications identified during these meetings,
- (3) coordinate between the ASC, PSC, and the JPO to generate annual ASC LRIP Ground rules and Assumptions (GR&As) that specify JSF Propulsion System DD250 and JSF Air System delivery dates, as well as other JSF Propulsion System Integration requirements for development, production, installment, operational, and sustainment activities.
- (4) comply with the following documents describing management policies, issue resolution procedures, and integration and contract responsibilities:
 - (i) Propulsion System Management Plan (PSMP), 2YPA00001-0001 dated 27 Feb 2002,
 - (ii) Propulsion System Integration Associate Contractor Agreement (ACA) for the F-35 Joint Strike Fighter Low Rate Initial Production, dated 5 Oct 2005, and
 - (iii) Sustainment Performance Management (SPM) Plan, dated July 2011.

H-31 UK FoA (Freedom of Action) UK Government Establishments (Applies to Contractor's Personnel at UK Government Establishments)

Definitions

1. Reference in this Condition to:

- a) 'UK Government Establishment' or 'site' shall be deemed to include any of Her Majesty's Ships or Vessels and Service Stations;
- b) 'Officer in Charge' shall be deemed to include Officers Commanding Service Stations, Ships' Masters or Senior Officers, and Heads of Government Establishments; and
- c) 'Contractor's Representative(s)' shall be deemed to include the Contractor's employees, agents and subcontractors.
- d) "Government Property" means all UK MOD owned property or personnel that is loaned to the Contractor to undertake CLIN's 0012, 0013, and OPTIONs 0022, and 0023. It includes:
 - i. Government Furnished Equipment (GFE) which means UK MOD owned equipment loaned to the Contractor in connection with the Contract as set out in Attachment 26;
 - ii. Government Furnished Information (GFI) which means UK MOD information or data issued or made available to the Contractor in connection with the Contract as set out in Attachment 26;
 - iii. Government Furnished Resource (GFR) which means UK MOD provided personnel loaned to the Contractor in connection with the Contract as set out in Attachment 28;
 - iv. Government Furnished Facilities (GFF) which means UK MOD owned buildings, parts of buildings, site and other infrastructure issued or made available to the Contractor in order to fulfil responsibilities under CLIN's 0012, 0013, and OPTIONs 0022, and 0023.

General

2. The following general provisions apply:

- a) The Officer in Charge shall provide such available administrative and technical facilities for the Contractor's Representatives employed at UK Government Establishments for the purpose of the Contract as may be necessary for the effective and economical discharge of work under the Contract. These

facilities will be provided free of charge unless otherwise stated in the Contract. The status to be accorded to the Contractor's Representatives for messing purposes will be at the discretion of the Officer in Charge.

b) Any land or premises (including temporary buildings) made available to the Contractor by the Government in connection with the Contract shall be made available to the Contractor free of charge, unless otherwise stated in the Contract, and shall be used by the Contractor solely for the purposes of performing the Contract. The Contractor shall have the use of such land or premises as licensee and shall vacate the same upon completion of the Contract.

c) The Contractor shall have no claim against the Government for any additional cost or delay occasioned by the closure for holidays of UK Government Establishments, where this is made known to him prior to entering into the Contract.

Liability In Respect Of Damage To Government Property

3. Without prejudice to the provisions of DEFCON 611 (Issued Property) and of DEFCON 612 (Loss of or Damage to the Articles), where those conditions form part of the Contract, the Contractor shall, except as otherwise provided for in the Contract, make good or, at the option of the Government, pay compensation for all damage occurring to any Government Property, which includes land or buildings, occasioned by the Contractor, or by any of his Representatives, arising from his or their presence on a UK Government Establishment in connection with the Contract, provided that this Condition shall not apply to the extent that the Contractor is able to show that any such damage was not caused or contributed to by any circumstances within his or their reasonable control.

4. The total liability of the Contractor under Clause 3 herein shall be £50,000,000

Contractor's Property

5. All property of the Contractor and his Representatives shall be at the risk of the Contractor whilst it is on any UK Government Establishment, and the Government shall accept no liability for any loss or damage howsoever occurring thereto or caused thereby, except as follows:

a) where any such loss or damage was caused or contributed to by any act, neglect or default of any Government Servant, agent or contractor then the Government shall accept liability therefor to the extent to which such loss or damage is so caused or contributed to as aforesaid; and

b) where any property of the Contractor has been taken on charge by the Officer in Charge, and a proper receipt has been given therefor, then the Government shall be liable for any loss or damage occurring to that property while held on such charge as aforesaid.

Contractor's Representatives

6. The Contractor shall submit in writing to the Government for approval, initially and as necessary from time to time, a list of those of his Representatives who may need to enter a UK Government Establishment for the purpose of, or in connection with, work under the Contract, giving such particulars as the Government may require, including full details of birthplace and parentage of any such Representative who:

a) was not born in the United Kingdom; or

b) if he was born in the United Kingdom, was born of parents either or both of whom were not born in the United Kingdom.

7. The Government shall issue passes for those Representatives who are approved by it in accordance with Clause 6 herein for admission to a UK Government Establishment and a Representative shall not be admitted unless in possession of such a pass. Passes shall remain the property of the Government and shall be surrendered on demand or on completion of the work.

8. Notwithstanding the provisions of Clauses 6 and 7 hereof if, in the opinion of the Government, any Representative of the Contractor shall misconduct himself, or it shall not be in the public interest for any person to be employed or engaged by the Contractor, the Contractor shall remove such person without delay on being required to do so and shall cause the work to be performed by such other person as may be necessary.

9. The decision of the Government upon any matter arising under Clauses 6 to 8 inclusive shall be final and conclusive.

Observance Of Regulations

10. The following provisions apply:

a) The Contractor shall ensure that his Representatives have the necessary probity (by undertaking the Government's Baseline Personnel Security Standard) and, where applicable, are cleared to the appropriate level of security when employed within the boundaries of a UK Government Establishment.

b) Where the Contractor requires information on the Government's Baseline Personnel Security Standard (the Standard) or security clearance for his Representatives or is not in possession of the relevant rules, regulations or requires guidance on them, he shall apply in the first instance to the Project Manager/Equipment Support Manager.

c) On request, the Contractor shall be able to demonstrate to the Government that the Contractor's processes to assure compliance with the standard have been carried out satisfactorily. Where that assurance is not already in place, the Contractor shall permit the Government to inspect the processes being applied by the Contractor to comply with the Standard.

d) The Contractor shall comply and shall ensure that his Representatives comply with the rules, regulations and requirements that are in force whilst at that Establishment which shall be provided by the Government on request.

e) When on board ship, compliance with the rules, regulations, and requirements shall be in accordance with the Ship's Regulations as interpreted by the Officer in Charge. Details of those rules, regulations and requirements shall be provided on request by the Officer in Charge.