

LOCKHEED MARTIN CORPORATION

PRIME SUPPLEMENTAL FLOWDOWN DOCUMENT (PSFD)

ADDITIONAL TERMS AND CONDITIONS FOR SUBCONTRACTS/PURCHASE ORDERS UNDER

JSF LRIP 7 CONTRACT NUMBER N00019-12-C-0004

Generated using Lockheed Martin CorpDocs 2012 Version

September 18, 2012

The Terms and Conditions listed below are incorporated by reference and made a part of this Contract, Purchase Order or Schedule Agreement. Unless otherwise limited in this Contract, Purchase Order or Schedule Agreement each document applies in its entirety.

In the event of a conflict between the version or date of a clause set out in this documents and the version or date of a clause set out in the identified CorpDocs, the version or date of the clauses set out 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. The dates of the following FAR and DFARS clauses are modified as follows:

RESERVED

2. The following FAR and DFARS clauses are added:

FAR 52.211-15 Defense Priority and Allocation Requirements (Apr 2008)

Subcontracts that are issued under a rated prime contract must carry the rating of the prime contract.

FAR 52.215-2 Audit and Records –Negotiation (OCT 2010)

(Applies to all subcontracts that exceed the simplified acquisition threshold, and: (1) that are costreimbursement, incentive, time-and-materials, labor-hour, or price-re-determinable type; (2) for which cost or pricing data are required; or (3) that require the subcontractor to furnish cost, funding, or performance reports. Does not apply if contract is for a COMMERCIAL Item as defined in FAR Part 2.101)

FAR 52.215-10 Price Reduction for Defective Certified Cost or Pricing Data (AUG 2011)

(Does not apply if contract is for a COMMERCIAL Item as defined in FAR Part 2.101)

FAR 52.216-16 INCENTIVE PRICE REVISION -- FIRM TARGET (OCT 1997)

Applicable to subcontracts with firm targets (i.e. Fixed Price Incentive Fee or Cost Plus Incentive Fee type contracts). The subcontract must incorporate the appropriate target price, ceiling price, and percentages. The blank in paragraph (c) should be completed with an appropriate number of days, consistent with the requirements of the prime contract. "Contracting Officer," "contract administrative office" and "Government" mean "Lockheed Martin." Paragraph (i) is deleted. The blanks in the clause are completed with the amounts specified in the contract. (Does not apply if contract is for a COMMERCIAL Item as defined in FAR Part 2.101)

FAR 52.216-17 INCENTIVE PRICE REVISION–SUCCESSIVE TARGETS (OCT 1997)

(Applies to subcontracts with successive targets. Does not apply if contract is for a COMMERCIAL Item as defined in FAR Part 2.101)

FAR 52.222-2 Payment for Overtime Premiums (JUL 1990)

(Applies to cost-reimbursement subcontracts. Does not apply if contract is for a COMMERCIAL Item as defined in FAR Part 2.101)

FAR 52.227-3 PATENT INDEMNITY (APR 1984) - ALTERNATE II (APR 1984)

FAR 52.229-8 Taxes -- Foreign Cost-Reimbursement Contracts (Mar 1990)

(Applies to foreign cost-reimbursement subcontracts. Paragraph (a), insert: any country in which the contractor or any of its subcontractors performs work under this contract. Does not apply if contract is for a COMMERCIAL Item as defined in FAR Part 2.101)

FAR 52.232-17 Interest (OCT 2010)

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DFAR 252.234-7004 Alt I Cost and Software Data Reporting System (NOV 2010)- ALT I

(Applies to subcontracts in excess of \$50,000,000. In paragraph (b), "Government" means Lockheed Martin. Does not apply if contract is for a COMMERCIAL Item as defined in FAR Part 2.101)

DFARS 252.239-7016 Telecommunications Security Equipment, Devices, Techniques, and Services (Dec 1991)

(Applies if this contract requires securing telecommunications. Does not apply if contract is for a COMMERCIAL Item as defined in FAR Part 2.101)

DFARS 252.243-7002 Requests for Equitable Adjustment (Mar 1998)

("Government" means "Lockheed Martin." Does not apply if contract is for a COMMERCIAL Item as defined in FAR Part 2.101)

DFARS 252.244-7000 Subcontracts for Commercial Items and Commercial Components (DoD Contracts (Aug 2009)

(The clause mandates flowdown of the DFARS provisions identified in the clause.)

DFAR 252.245-7001 Tagging, Labeling, and Marking of Government-

necessary agreements. A properly executed copy of the agreement will be provided to the Procuring Contracting Officer.

H-14 NAVAIR 5252.211-9510CONTRACTOR EMPLOYEES (MAY 2011)

(a) In all situations where contractor personnel status is not obvious, all contractor personnel are required to in Ten (uTithe (1378) (13) 4 (12) 4 (12) (13) 4 (1

applicable rate is authorized at a flat seventy- five (75%) percent on the day of departure from contractor's home or local office, and on the day of return. Reimbursement to the contractor for per diem shall be limited to actual payments to per diem defined herein. The contractor shall provide actual payments of per diem defined herein. The contractor shall provide supporting documentation for per diem expenses as evidence of actual payment.

- (g) Shipboard Stays. Whenever work assignments require temporary duty aboard a Government ship, the contractor will be reimbursed at the per diem rates identified in paragraph C8101.2C or C81181.3B(6) of the Department of Defense Joint Travel Regulations, Volume II.
- (h) Special Material. "Special material" includes only the costs of material, supplies, or services which is peculiar to the ordered data and which is not suitable for use in the course of the contractor's normal business. It shall be furnished pursuant to specific authorization approved by the COR. The contractor will be required to support all material costs claimed by its costs less any applicable discounts. "Special materials" include, but are not limited to, graphic reproduction expenses, or technical illustrative or design requirements needing special processing.

H-18 WORK SHARE AGREEMENTS

Subcontractors shall not enter into any new work share agreements with any subcontractors that specify that a subcontractor will receive a certain amount of business based solely on a dollar amount or percentage of contract or program cost as of the effective date of this contract.

H-25 NAVAIR 5252.246-9526 PROVISIONAL ACCEPTANCE UNDER SPECIAL CONDITIONS (OCT 2005)

(a) Acceptance under Special Conditions. LOCKHEED MARTIN may, at the discretion of the Authorized ProcurementDuddweither (f)Tj(H):28307598 J(i)TTc (0):283v(0):283 (0)