



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

LRIP 10
F-35 Production
Prime Contract Number N00019-15-C-0003

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July 30, 2014 (ORIGINAL)

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.

FAR 52.232-32 Performance-Based Payments.

April 2012

(Applicable to the Seller only if under the contract Lockheed Martin will be making financing payments to the Seller in the form of performance based payments. "Contracting Officer" and "Government" shall mean "Lockheed Martin" except with respect to title for property where the references to the Government shall be unchanged. Subparagraph (c)(2) of the clause is deleted.)

FAR 52.232-39 Unenforceability of Unauthorized Obligations.

June 2013

(Applicable to the Seller when the contract involves a supply or service subject to any End User License Agreement (EULA), Terms of Service (TOS), or similar legal instrument or agreement, that includes any clause requiring the Government to indemnify the Seller or any person or entity for damages, costs, fees, or any other loss or liability that would create an Anti-Deficiency Act violation (31 U.S.C. 1341).)

FAR 52.245-9 Use and Charges.

April 2012

(Applicable to contracts involving non-commercial items where Government furnished property shall be provided through Lockheed Martin to the Seller. Communications with the Government under this clause shall be made by the Seller through Lockheed Martin.)

FAR 52.246-15-1.14c8(et)8(d)11(M)-2TT2 1 Tf -21t(r)7(e)-2(a)]TJ 2-3(n)2-3((l)8(a2)(b)Tf -21t3(i)-35()13(es,s)-2

(such as for spares) and where the item loses its individual identity in the higher level assembly. The clause is also not applicable to contracts where the item(s) purchased will not be delivered to the Government. "Contracting Officer" shall mean "Lockheed Martin.")

NAVAIR 5252.247-9508 PROHIBITED PACKING MATERIALS (NAVAIR) JUNE 1998

(Applicable to the Seller if it is shipping non-commercial items directly to U.S. Government, with Lockheed Martin's authorization.)

NAVAIR 5252.247-9509 PRESERVATION, PACKAGING, PACKING AND MARKING (NAVAIR) JULY 1998

(Applicable to the Seller if it is shipping non-commercial items directly to U.S. Government, with Lockheed Martin's authorization. In subparagraph (b), "Contract Number" shall mean "Lockheed Martin's prime contract number and the number assigned to this contract.")

NAVAIR 5252.247-9510 PRESERVATION, PACKAGING, PACKING AND MARKING FOR FOREIGN MILITARY SALES (FMS) REQUIREMENTS (NAVAIR) OCT. 2005

(Applicable to the Seller if it is shipping non-commercial items directly to U.S. Government, with Lockheed Martin's authorization.)

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.

PART III. SECTION H –PRIME CONTRACT SPECIAL PROVISIONS

For purposes of this Section H, "Government" means the United States Government. The following Section H clauses are incorporated into the Contract in full-text:

H-3 5252.227-9507 NOTICE REGARDING THE DISSEMINATION OF EXPORT-CONTROLLED TECHNICAL DATA (NAVAIR) (OCT 2005)

(The following clause applies only to contracts where Lockheed Martin is acquiring non-commercial items).

- (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

Standardized Regulations (Government Civilians, Foreign Areas), Section 925, "Maximum Travel Per Diem Allowances for Foreign Areas," prescribed by the Department of State, for travel in areas not covered in the FTR or JTR (hereinafter the SR).

(c) Travel. Travel and subsistence are authorized for travel beyond a fifty-mile radius of the contractor's office whenever a task assignment requires work to be accomplished at a temporary alternate worksite. No travel or subsistence shall be charged for work performed within a fifty-mile radius of the contractor's office. The contractor shall not be paid for travel or subsistence for contractor personnel who reside in the metropolitan area in which the tasks are being performed. Travel performed for personal convenience, in conjunction with personal recreation, or daily travel to and from work at the contractor's facility will not be reimbursed.

(1) For travel costs other than described in paragraph (c) above, the contractor shall be paid on the basis of actual amount paid to the extent that such travel is necessary for the performance of services under the contract and is authorized by the COR in writing.

(2) When transportation by privately owned conveyance is authorized, the contractor shall be paid on a mileage basis not to exceed the applicable Government transportation rate as contained in the FTR, JTR or SR. Authorization for the use of privately owned conveyance shall be indicated in the basic contract. Distances traveled between points shall be documented in the contractor's records as listed in standard highway mileage guides. Reimbursement will not exceed the mileage shown in the standard highway mileage guides.

(3) The contractor agrees, in the performance of necessary travel, to use the lowest cost mode commensurate with the requirements of the mission as set forth in the basic contract and in accordance with good traffic management principles. When it is necessary to use air or rail travel, the contractor agrees to use coach, tourist class, or similar accommodations to the extent consistent with the successful and economical accomplishment of the mission for which the travel is being performed.

(4) The contractor shall retain receipts or other evidence substantiating actual costs incurred for authorized travel as required by FAR Subpart 4.7, Contractor Records Retention, and FAR 52.215-2, Audit and Records –

252.223-7008, “Prohibition of Hexavalent Chromium” (JUN 2013) applies to all other items delivered under this contract.

Table H-8a:

Hexavalent Chromium Applications Used in the Manufacture of the F-35 Air System

- Fuel tank coating to AMS-C-27725 Type 2
- Sealant to LMA-MU065
- Sealant primer to LMA-MR058 Form 1
- Adhesive bonding primer to LMA-MD007 Type 2 or 2ZZZ00002 Type 2
- General structural primer to MIL-PRF-23377
- Non-Curing Corrosion Resistant Sealing Compound

PERFORMANCE BASED PAYMENTS

- (a) Performance-based payments shall form the basis for contract financing payments, if such payments are provided under this contract. The Performance Based Payments schedule set forth in this Contract describes the ba



(c) Costs-incurred are determined by the SELLER's accounting books and records. LOCKHEED MARTIN intends to rely on the SELLER's submission of cost-incurred information in processing invoices in order to facilitate prompt financing payments.

(d) Verification by LOCKHEED MARTIN of successful performance of each event, according to the criteria outlined in the Performance Based Payments schedule, is required prior to payment.