



Part II. The following FAR, DFARS, and other Agency clauses are incorporated into the Contract:

FAR 52.216-16 Incentive Price Revision -- Firm Target (Oct 1997)

(Applicable to the Seller only if being awarded a fixed-price incentive contract. "Contracting Officer," "contract administrative office" and "Government" mean "Lockheed Martin." Paragraph (i) is deleted. The blanks in the clause shall be deemed to be completed with the amounts specified in the contract.)

FAR 52.222-42 Statement of Equivalent Rates for Federal Acquisition Regulation (FAR) 2.6(en)-2.6(en)1r2(i)-2.6(n)2pgn)M(es y(t)-11)8.3(9(t)8

DFARS 252.203-7004 Display of Fraud Hotline Poster(s) (Dec 2012)

(Applicable to the Seller under all contracts in excess of \$5M except subcontracts performed entirely outside the United States.)

DFARS 252.211-7006 Passive Radio Frequency Identification (Sep 2011)

(Applicable to the Seller only if it will make direct shipments meeting the criteria at FAR 211.275-2 to the Government of items covered by the clause.)

DFARS 252.211-7007 Reporting of Government-Furnished Property (Aug 2012)

(Applicable to Seller only if it will be in possession of Government property for the performance of this contract.)

DFARS 252.211-7008 Use of Government-Assigned Serial Numbers (Sep 2010)

(Not applicable to the Seller unless GASNs will be assigned to the Seller by Lockheed Martin.)

DFARS 252.222-7006 Restrictions on the Use of Mandatory Arbitration Agreements (Dec 2010)

(Applicable to the Seller only under contracts for non-commercial items exceeding \$1,000,000 that will be funded in whole or part with Fiscal Year Dept. of Defense 2010, 2011 and future years appropriated funds. The clause is not required if all of the subcontractors employees performing work under the contract will be located outside of the United States. The certification in paragraph (b)(2) applies to both Seller in its own capacity and to Seller's covered subcontractors.)

DFARS 252.223-7008 Prohibition of Hexavalent Chromium (May 2011)

(Applicable to the Seller for contracts for supplies, maintenance and repair services, or construction materials. "Contracting officer" means "Lockheed Martin.")

DFARS 252.225-7012 Preference for Certain Domestic Commodities (Feb 2013)

(Applicable to the Seller only if furnishing any of the items covered by this clause.)

DFARS 252.225-7027 Restriction on Contingent Fees for Foreign Military Sales (Apr 2003)

(Applicable to the Seller only if awarded a contract involving contingent fees. The reference to the clause in paragraph (a) means FAR 52.203-5. The blank in paragraph (b)(1) is completed with "any Government." Subparagraph (b)(2) is deleted.)

DFARS 252.225-7028 Exclusionary Policies and Practices of Foreign Governments (Apr 2003)

DFARS 252.225-7032 Waiver of United Kingdom Levies -- Evaluation of Offers (Apr 2003)

(Applicable to the Seller if it is a United Kingdom corporation. "Contracting Officer means "Lockheed Martin.")

DFARS 252.227-7017 Identification and Assertion of Use, Release, or Disclosure Restrictions (Jan 2011)

(The provision requires offerors to identify any technical data for which restrictions, other than copyright, on use, release, or disclosure are asserted and to attach the identification and assertions to the offer. "Offeror" means "Seller." Contracting Officer" means "Lockheed Martin or Contracting Officer." In paragraphs (a) and (b) the references to the SBIR data rights clause are deleted.)

DFARS 252.228-7001 Ground and Flight Risk (Jun 2010)

(Applicable to contracts for non-commercial items only. In paragraph (a)(1)(i) "this contract" means "the prime contract." The

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(b) The use of an ISC is solely for the convenience of the Government. The ISC has no obligation to

(b) If Seller's employees are wearing a badge that is a risk to safety and/or security, then an alternative means of identification maybe utilized if endorsed by the Government Contracting Officer's Representative and approved by the Government Contracting Officer through LOCKHEED MARTIN to the Seller.

(c) LOCKHEED MARTIN will make the final determination of compliance with regulations with regard to proper identification of contractor employees.

H-27 PARTNERING WITH MILITARY SERVICE DEPOTS (MSD)

This clause is in accordance with Article 8.2 of the F-35 Lightning II Depot Partnering Agreement and applies to the Seller only if it has a Partnering Agreement under the Program with an MSD and the Seller is performing work for or on behalf of an MSD under this Contract.

1. FAR Non-Applicability. Pursuant to FAR 1.104, FAR Applicability, Partnering Agreements (PA) and Implementing Agreements (IA) between the Seller and Military Service Depots (MSD) are not subject to the FAR or any agency supplements thereto, because the FAR applies to contracts where the Government acts in its capacity as a buyer. No FAR and/or agency supplement flow down clauses shall apply to any PA/IA issued or to any other contractual vehicle placed by the Seller with an MSD providing a supply/service under this prime contract, except as may be expressly included by mutual consent of the Seller and the MSD.

a. **Non-Applicability of Advanced Payments.** Payments made by the Seller to the MSD, as required by the terms of the PA/IA, shall be considered to be incurred costs under the terms of this contract.

2. TINA Non-Applicability. The Truth in Negotiations Act, 10 USC Section 2306a, as amended, (hereinafter referred to as TINA) and its implementing regulations/clauses, do not apply to any MSD performing under this contract. Accordingly, the Government agrees:

a. The portion of the Seller's



(6) THE CUMULATIVE PERFORMANCE-BASED PAYMENTS REQUESTED AND PAID TO DATE DO NOT EXCEED CUMULATIVE COST INCURRED UNDER THIS CONTRACT.”

(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.