



**GENERAL PROVISIONS - SERVICES
COMMERCIAL SUBCONTRACT/PURCHASE ORDERS**

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1. ACCEPTANCE OF CONTRACT/TERMS AND CONDITIONS

- (a) This Contract integrates, merges, and supersedes any prior offers, negotiations, and agreements concerning the subject matter hereof and constitutes the entire agreement between the parties.
- (b) SELLER’s acknowledgment, acceptance of payment, or commencement of performance, shall constitute SELLER’s unqualified acceptance of this Contract.
- (c) Unless expressly accepted in writing by LOCKHEED MARTIN, additional or differing terms or conditions proposed by SELLER or included in SELLER’s acknowledgment are objected to by LOCKHEED MARTIN and have no effect.

2. APPLICABLE LAWS

- (a) This Contract shall be governed by and construed in accordance with the laws of the State from which this Contract is issued by LOCKHEED MARTIN, without regard to its conflicts of laws provisions. The parties agree to comply with all applicable local, state, and federal laws, orders, rules, regulations and ordinances. SELLER shall procure all licenses/permits, pay all fees, and other required charges, and shall comply with all guidelines and directives of any local, state, and/or federal governmental authority.
- (b) SELLER represents that each chemical substance constituting or contained in Work sold or otherwise transferred to LOCKHEED MARTIN hereunder is on the list of chemical substances compiled and published by the Administrator

- (a) LOCKHEED MARTIN, by written notice, may terminate this Contract for default, in whole or in part, if SELLER (i) fails to comply with any of the terms of this Contract; (ii) fails to make progress so as to endanger performance of this Contract; (iii) fails to provide adequate assurance of future performance; (iv) files or has filed against it a petition in bankruptcy; or (v) becomes insolvent or suffers a material adverse change in financial condition. SELLER shall have ten (10) days (or such longer period as LOCKHEED MARTIN may authorize in writing) to cure any such failure after receipt of notice from LOCKHEED MARTIN. Default involving performance delays, bankruptcy or adverse change in financial condition shall not be subject to the cure provision.
- (b) Following a termination for default of this Contract, SELLER shall be compensated only for Work actually delivered and accepted. LOCKHEED MARTIN may require SELLER to deliver to LOCKHEED MARTIN any supplies and materials, manufacturing materials, and manufacturing drawings that SELLER has specifically produced or acquired for the terminated portion of this Contract. LOCKHEED MARTIN and SELLER shall agree on the amount of payment for these other deliverables.
- (c) In the event of a cancellation or termination under this Contract, SELLER shall be liable to LOCKHEED MARTIN for cover costs, in addition to LOCKHEED MARTIN's other rights and remedies at law or in equity.
- (d) Upon the occurrence and during the continuation of a default, LOCKHEED MARTIN may exercise any and all rights and remedies available to it under applicable law and equity including without limitation cancellation of this Contract. If after termination for default under this Contract, it is determined that SELLER was not in default, such termination shall be deemed a termination for convenience.
- (e) SELLER shall continue all Work not terminated or cancelled.

7. DEFINITIONS

The following terms shall have the meanings set forth below:

- (a) "Contract" means the instrument of contracting, such as "Purchase Order", "PO", "Subcontract", or other such type designation, including these General Provisions, all referenced documents, exhibits and attachments. If these terms and conditions are incorporated into a "master" agreement that provides for releases, (in the form of a Task Order or other such document) the term "Contract" shall also mean the release document for the Work to be performed.
- (b) "LOCKHEED MARTIN" means Lockheed Martin Corporation, acting through its companies or business units, as identified on the face of this Contract. If a subsidiary or affiliate of Lockheed Martin Corporation is identified on the face of this Contract, then "LOCKHEED MARTIN" means that subsidiary or affiliate.
- (c) "LOCKHEED MARTIN Procurement Representative" shall mean a person authorized by Lockheed Martin's cognizant procurement organization to administer and/or execute this Contract.
- (d) "SELLER" means the party identified on the face of this Contract with whom LOCKHEED MARTIN is contracting.
- (e) "Work" means all required labor, articles, materials, supplies, goods, and services constituting the subject matter of this Contract.

8. DISPUTES

All disputes under this Contract that are not disposed of by mutual agreement may be decided by recourse to an action at law or in equity. Until final resolution of any dispute hereunder, SELLER shall diligently proceed with the performance

export license or agreement, if applicable. Without limiting the foregoing, SELLER agrees that it will not transfer any export controlled item, data, or services, to include transfer to foreign persons employed by or associated with, or under contract to SELLER or SELLER's lower-tier suppliers, without the authority of an export license, agreement, or applicable exemption or exception.

- (b) SELLER agrees to notify LOCKHEED MARTIN if any deliverable under this Contract is restricted by export control laws or regulations.
- (c) SELLER shall immediately notify the LOCKHEED MARTIN Procurement Representative if SELLER is, or becomes, listed in any Denied Parties List or if SELLER's export privileges are otherwise denied, suspended or revoked in whole or in part by any U.S. Government entity or agency.
- (d) If SELLER is engaged in the business of either exporting or manufacturing (whether exporting or not) defense articles or furnishing defense services, SELLER represents that it is registered with the Office of Defense Trade Controls, as required by the ITAR, and it maintains an effective export/import compliance program in accordance with the ITAR.
- (e) Where SELLER is a signatory under a LOCKHEED MARTIN export license or export agreement (e.g., TAA, MLA), SELLER shall provide prompt notification to the LOCKHEED MARTIN Procurement Representative in the event of changed circumstances including, but not limited to, ineligibility, a violation or potential violation of the ITAR, and the initiation or existence of a U.S. Government investigation, that could affect the SELLER's performance under this Contract.
- (f) **SELLER shall be responsible for**

- (b) SELLER shall inform LOCKHEED MARTIN if a former employee of LOCKHEED MARTIN or its parent or any subsidiary will be assigned Work under this Contract, and any such assignment shall be subject to LOCKHEED MARTIN approval.
- (c) Nothing contained in this Contract shall be construed as granting to SELLER or any personnel of SELLER rights under any LOCKHEED MARTIN benefit plan.
- (d) SELLER will ensure that SELLER personnel assigned to work on LOCKHEED MARTIN's or Customer's premises comply with any on-premises guidelines and: (i) do not bring weapons of any kind onto LOCKHEED MARTIN's or Customer's premises; (ii) do not manufacture, sell, distribute, possess, use or be under the influence of controlled

(n) **SELLER shall indemnify and hold ha**

SELLER's subcontractors at any tier. SELLER's obligations for procuring and maintaining insurance coverages are freestanding and are not affected by any other language in this Contract.

(b) **SELLER shall indemnify and hold harmless LOCKHEED MARTIN, its officers, employees, and agents from**

21. NEW MATERIALS

The Work to be delivered hereunder shall consist of new materials, not used, or reconditioned, remanufactured or of such age as to impair its usefulness or safety.

22. OFFSET CREDIT/COOPERATION

This Contract has been entered into in direct support of LOCKHEED MARTIN's international offset programs. All offset benefit credits resulting from this Contract are the sole property of LOCKHEED MARTIN to be applied to the offset program of its choice. SELLER agrees to assist LOCKHEED MARTIN in securing appropriate offset credits from the respective country government authorities.

23. PAYMENTS, TAXES, AND DUTIES

(a) Unless otherwise specified, all payments shall be made in US dollars to the order of Lockheed Martin Corporation, 2600 Broadway, New York, NY 10024.

(e) **SELLER agrees to defend, indemnify, and hold harmless LOCKHEED MARTIN, its customers and suppliers from and against any claims, damages, losses, costs, and expenses, including reasonable attorneys' fees, relating to use in connection with this Contract or the delivery of Prohibited Software.**

26. QUALITY CONTROL SYSTEM

(a) SELLER shall provide and maintain a quality control system to an industry recognized Quality Standard and in compliance with any other specific quality requirements identified in this Contract.

(b) Records of all quality control inspection work by SELLER shall be kept complete and available to LOCKHEED MARTIN and its customers.

27. RELEASE OF INFORMATION

Except as required by law, no public release of any information, or confirmation or denial of same, with respect to this Contract or the subject matter hereof, will be made by SELLER without the prior written approval of LOCKHEED MARTIN.

28. SEVERABILITY

Each clause, paragraph and sub-paragraph of this Contract is severable, and if one or more of them are declared invalid, the remaining provisions of this Contract will remain in full force and effect.

29. STOP WORK

(a) SELLER shall stop Work for up to ninety (90) days in accordance with any written notice received from LOCKHEED MARTIN, or for such longer period of time as the parties may agree and shall take all reasonable steps to minimize the incurrence of costs allocable to the Work during the period of Work stoppage.

(b) Within such period, LOCKHEED MARTIN shall either terminate in accordance with the provisions of this Contract or continue the Work by written notice to SELLER. In the event of a continuation, an equitable adjustment in accordance with the principles of the "Changes" clause shall be made to the price, performance schedule, or other provision(s) affected by the Work stoppage, if applicable, provided that the claim for equitable adjustment is made within thirty (30) days after date of notice to continue.

30. SURVIVABILITY

If this Contract expires, is completed, or is terminated, SELLER shall not be relieved of those obligations contained in this Contract for the following clauses:

- Applicable Laws
- Electronic Contracting
- Export Control
- Independent Contractor Relationship and Seller Personnel
- Information of LOCKHEED MARTIN
- Insurance/Entry on LOCKHEED MARTIN Property
- Intellectual Property
- Maintenance of Records
- Prohibited Software
- Release of Information
- Warranty

31. TERMINATION FOR CONVENIENCE

(a) Lockheed Martin may terminate part or all of this Contract for its convenience by giving written notice to SELLER.

(b) Upon termination, in accordance with LOCKHEED MARTIN's written direction, SELLER will immediately: (i) Cease work; (ii) Prepare and submit to LOCKHEED MARTIN an itemization of all completed and partially completed deliverables and services; (iii) Deliver to LOCKHEED MARTIN any and all Work completed up to the date of termination at the agreed upon prices; and (iv) Deliver upon request any Work in process. In the event LOCKHEED MARTIN terminates for its convenience after performance has commenced, LOCKHEED MARTIN will compensate SELLER for the actual, allowable, and reasonable expenses incurred by SELLER for Work in process up to and including the date of termination provided SELLER uses reasonable efforts to mitigate LOCKHEED MARTIN's liability under this clause.

(c) In no event shall LOCKHEED MARTIN be liable for lost or anticipated profits, unabsorbed indirect costs or overhead, or for any sum in excess of the total Contract price. SELLER's termination claim shall be submitted within ninety (90) days from the effective date of the termination.

(d) SELLER shall continue all Work not terminated.

32. **TIMELY PERFORMANCE**

(a) SELLER's timely performance is a critical element of this Contract.