



LOCKHEED MARTIN CORPORATION

CORPDOC 3A

**FEDERAL ACQUISITION REGULATION (FAR) AND DEFENSE FEDERAL ACQUISITION REGULATION SUPPLEMENT (DFARS)
FLOWDOWN PROVISIONS FOR FIXED PRICE SUBCONTRACTS/PURCHASE ORDERS FOR NON-COMMERCIAL ITEMS UNDER A UNITED
STATES DEPARTMENT OF DEFENSE PRIME CONTRACT**

A. INCORPORATION OF FAR AND DFARS CLAUSES

The FAR and DFARS clauses referenced below are incorporated herein by reference, with the same force and effect as if they were given in full text, and are applicable, including any notes following the clause citation, to this Contract. If the date or substance of





FAR 52.203-13 CONTRACTOR CODE OF BUSINESS ETHICS AND CONDUCT (OCT 2015) (Applies if this Contract exceeds \$5,500,000 and the period of performance is more than 120 days. Disclosures made under this clause shall be made directly to the Government entities identified in the clause.)

FAR 52.203-14 DISPLAY OF HOTLINE POSTER(S) (OCT 2015) (Applies if this Contract exceeds \$5,500,000. Contact the Lockheed Martin Procurement Representative for the location where posters may be contained if not indicated elsewhere in the Contract. Note 8 applies.)

FAR 52.203-17 CONTRACTOR EMPLOYEE WHISTLEBLOWER RIGHTS AND REQUIREMENT TO INFORM EMPLOYEES OF WHISTLEBLOWER RIGHTS (APR 2014) (Applies if this Contract exceeds \$150,000.)

FAR 52.204-2 SECURITY REQUIREMENTS (AUG 1996) (Applies if the Work requires access to classified information.)

FAR 52.204-9 PERSONAL IDENTITY VERIFICATION OF CONTRACTOR PERSONNEL (JAN 2011) (Applies where SELLER will have physical access to a federally-controlled facility or access to a Federal information system.)

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 Government's Central Contractor Registration (CCR) database. All information posted will be available to the general public.)

FAR 52.204-21 BASIC SAFEGUARDING OF COVERED CONTRACTOR INFORMATION SYSTEMS (JUN 2016) (Applies unless SELLER is furnishing commercially available off-the-shelf items.)

FAR 52.209-6 PROTECTING THE GOVERNMENT'S INTEREST WHEN SUBCONTRACTING WITH CONTRACTORS DEBARRED, SUSPENDED, OR PROPOSED FOR DEBARMENT (OCT 2015) (Applies if this Contract exceeds \$35,000. Copies of notices provided by SELLER to the Contracting Officer shall be provided to LOCKHEED MARTIN.)

FAR 52.211-5 MATERIAL REQUIREMENTS (AUG 2000) (Note 2 applies.) 00KHf0Oquioie}0OererQ(00)4ererm00M-12.9C)



FAR 52.215-13 SUBCONTRACTOR CERTIFIED COST OR PRICING DATA - MODIFICATIONS (OCT 2010) (Applies if this Contract exceeds the threshold under FAR 15.403 and is not otherwise exempt.)

FAR 52.215-14 INTEGRITY OF UNIT PRICES (OCT 2010) (Applies if this Contract exceeds \$150,000. Delete paragraph (b) of the clause.)

FAR 52.215-15 PENSION ADJUSTMENTS AND ASSET REVERSIONS (OCT 2010) (Applies if this Contract meets the applicability requirements of FAR 15.408(g). Note 5 applies.)

FAR 52.215-16 FACILITIES CAPITAL COST OF MONEY (JUN 2003) (Applies only if this Contract is subject to the Cost Principles at FAR Subpart 31.2 and SELLER proposed facilities capital cost of money in its offer.)

FAR 52.215-17 WAIVER OF FACILITIES CAPITAL COST OF MONEY (OCT 1997) (Applies only if this Contract is subject to the Cost Principles at FAR Subpart 31.2 and SELLER did not propose facilities capital cost of money in its offer.)

FAR 52.215-18 REVERSION OR ADJUSTMENT OF PLANS FOR POST-RETIREMENT BENEFITS (PRB) OTHER THAN PENSIONS (JUL 2005) (Applicable if this Contract meets the applicability requirements of FAR 15.408(j). Note 5 applies.)

FAR 52.215-19 NOTIFICATION OF OWNERSHIP CHANGES (OCT 1997) (Applies if this Contract meets the applicability requirements of FAR 15.408(k). Note 5 applies.)

FAR 52.215-20 REQUIREMENTS FOR CERTIFIED COST OR PRICING DATA OR INFORMATION OTHER THAN COST OR PRICING DATA (OCT 2010) (Note 2 applies in paragraph (a)(1).)

FAR 52.215-21 REQUIREMENTS FOR CERTIFIED COST OR PRICING DATA OR INFORMATION OTHER THAN COST OR PRICING DATA - MODIFICATIONS (OCT 2010) (Note 2 applies in paragraphs (a)(1) and (b).)

FAR 52.215-23 LIMITATION ON PASS-THROUGH CHARGES (OCT 2009) Applies if this is a cost-reimbursement subcontract in excess of \$150,000, except if the prime contract to which this contract relates is with DoD, then the clause applies to both cost-reimbursement subcontracts and fixed-price subcontracts, except those identified in 15.408(n)(2)(i)(B)(2), that exceed \$750,000. Notes 4 and 6 apply.)

FAR 52.219-8 UTILIZATION OF SMALL BUSINESS CONCERNS (NOV 2016) (Note 8 applies.)

FAR 52.219-9 SMALL BUSINESS SUBCONTRACTING PLAN (NOV 2016) (Applies if this Contract exceeds \$700,000 except the clause does not apply if SELLER is a small business concern. Note 2 is applicable to paragraph (c) only. SELLER's subcontracting plan is incorporated herein by reference. Note 8 applies.)

FAR 52.222-4 CONTRACT WORK HOURS AND SAFETY STANDARDS ACT - OVERTIME COMPENSATION (MAY 2014) (Applies if the Contract may require or involve the employment of laborers and mechanics. Note 8 applies.)

FAR 52.222-21 PROHIBITION OF SEGREGATED FACILITIES (APR 2015) (Note 8 applies.)

FAR 52.222-26 EQUAL OPPORTUNITY (SEP 2016) (Note 8 applies.)

FAR 52.222-35 EQUAL OPPORTUNITY FOR VETERANS (OCT 2015) (Applies if this Contract is for \$150,000 or more. Note 8 applies.)



FAR 52.248-1 VALUE ENGINEERING (OCT 2010) (Applies if this Contract exceeds \$150,000. Note 1 applies, except in paragraphs (c)(5), where Note 3 applies and except in (b)(3) where Note 4 applies, and where "Government" precedes "cost" throughout. Note 2 applies. In paragraph (m) "Government is unchanged." Also, "Government" does not mean "LOCKHEED MARTIN" in the phrase "Government costs.")

FAR 52.249-2 TERMINATION FOR CONVENIENCE OF THE GOVERNMENT (FIXED-PRICE) (APR 2012) (Notes 1 and 2 apply. Note 4 applies to the first time "Government" appears in paragraphs (b)(4) and (b)(6), it applies to all of paragraph (b)(8) and it applies to the second time "Government" appears in paragraph (d). In paragraph (n) "Government" means "LOCKHEED MARTIN and the Government" . In paragraph (c) "120 days" is changed to "60 days." In paragraph (d) "15 days" is changed to "30 days," and "45 days" is changed to "60 days." In paragraph (e) "1 year" is changed to "6 months." Paragraph (j) is deleted. In paragraph (l) "90 days" is changed to "45 days." Settlements and payments under this clause m



DFARS 252.211-7000 ACQUISITION STREAMLINING (OCT 2010) (Applies if this Contract exceeds \$1.5M. Note 1 applies.)

DFARS 252.211-7003 ITEM UNIQUE IDENTIFICATION AND VALUATION (MAR 2016) (Applies if this Contract requires the Work to contain unique item identification." Items subject to unique item identif3.3(t)-3.3-0.9ueTp-4.1(n)-6.1(.)-2J-9(a)-3.9tentif3.3(t)-3.3-0 1 aiqwh(l



DFARS 252.225-7016 RESTRICTION ON ACQUISITION OF BALL AND ROLLER BEARINGS (JUN 2011) (Applies if Work supplied under this Contract contains ball or roller bearings. Note 1 applies to subparagraph (a) (2).)

DFARS 252.225-7021 TRADE AGREEMENTS (DEC 2016) (Applies if the Work contains other than U.S.-made, qualifying country, or designated country end products. Applies in lieu of FAR 52.225-5.)

DFARS 252.225-7033 WAIVER OF UNITED KINGDOM LEVIES (APR 2003) (Applies if this Contract is with a United Kingdom firm. Note 2 applies. Note 1 applies to the second sentence of paragraph (a).)

DFARS 252.225-7043 ANTI-TERRORISM/FORCE PROTECTION POLICY FOR DEFENSE CONTRACTORS OUTSIDE THE UNITED STATES (JUN 2015) (Applies where SELLER will be performing or traveling outside the U.S. under this Contract. For paragraph (c), see applicable information cited in DFARS 225.7401.)

DFARS 252.225-7048 EXPORT-CONTROLLED ITEMS (JUN 2013)

DFARS 252.226-7001 UTILIZATION OF INDIAN ORGANIZATIONS, INDIAN-OWNED ECONOMIC ENTERPRISES AND NATIVE HAWAIIAN SMALL BUSINESS CONCERNS (SEP 2004) (Applies if this Contract exceeds \$500,000. Note 2 applies to paragraph (c) the first time "Contracting Officer" appears.) In subparagraph (f)(1) "Contractor" shall mean "LOCKHEED MARTIN." LOCKHEED MARTIN shall have no liability to SELLER for any incentive payment under this clause unless and until the Government provides said incentive payment to LOCKHEED MARTIN.)

DFARS 252.227-7013 RIGHTS IN TECHNICAL DATA -- NONCOMMERCIAL ITEMS (FEB 2014) (Applies in lieu of FAR 52.227-14.)

DFARS 252.227-7014 RIGHTS IN NONCOMMERCIAL COMPUTER SOFTWARE AND NONCOMMERCIAL COMPUTER SOFTWARE DOCUMENTA



DFARS 252.227-7038 PATENT RIGHTS - OWNERSHIP BY THE CONTRACTOR (LARGE BUSINESS) (JUN 2012) (Applies if (1) SELLER is not small business or nonprofit organization subject to FAR 52.227-11, and (2) the Contract is for experimental, developmental, or research work.)

DFARS 252.228-7005 ACCIDENT REPORTING AND INVESTIGATION INVOLVING AIRCRAFT, MISSILES, AND SPACE LAUNCH VEHICLES (DEC 1991) (In paragraph (a) note 5 applies. In paragraph (b) note 3 applies.)

DFARS 252.231-7000 SUPPLEMENTAL COST PRINCIPLES (DEC 1991)

DFARS 252.235-7003 FREQUENCY AUTHORIZATION - BASIC (MAY 2014) (Applies if this Contract requires developing, producing, constructing, testing, or operating a device requiring a frequency authorization. Note 2 applies.)

DFARS 252.243-7001 PRICING OF CONTRACT MODIFICATIONS (DEC 1991) (Applies if this is a fixed price contract).

DFARS 252.244-7000 SUBCONTRACTS FOR COMMERCIAL ITEMS (JUN 2013)

DFARS 252.246-7003 NOTIFICATION OF POTENTIAL SAFETY ISSUES (JUN 2013) (Applies if this Contract is for (i) parts identified as critical safety items; (ii) systems and subsystems, assemblies, and subassemblies integral to a system; or (iii) repair, maintenance, logistics support, or overhaul services for systems and subsystems, assemblies, subassemblies, and parts integral to a system. SELLER shall provide notifications to LOCKHEED MARTIN and the contracting officer identified to SELLER.)

DFARS 252.246-7007 CONTRACTOR COUNTERFEIT ELECTRONIC PART DETECTION AND AVOIDANCE SYSTEM (AUG 2016) (Paragraphs (a) through (e) apply. In paragraph (c)(2) Note 3 applies. In paragraph (c)(6) Note 6 applies.)

DFARS 252.246-7008 SOURCES OF ELECTRONIC PARTS (OCT 2016) (Applies if this contract is for electronic parts or assemblies containing electronic parts, unless Seller is the original manufacturer. Note 1 applies except in paragraph (d). Note 2 applies.

DFARS 252.247-7023 TRANSPORTATION OF SUPPLIES BY SEA - BASIC (APR 2014) (Applies in lieu of FAR 52.247-64 in all Contracts for

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(a) Definitions. As used in this provision--

"Lobbying contact" has the meaning provided at 2 U.S.C. 1602(8).

The terms "agency," "influencing or attempting to influence," "officer or employee of an agency," "person," "reasonable compensation," and "regularly employed" are defined in the FAR clause of this solicitation entitled "Limitation on Payments to Influence Certain Federal Transactions" (52.203-12).

(b) Prohibition. The prohibition and exceptions contained in the FAR clause of this solicitation entitled "Limitation on Payments to Influence Certain Federal Transactions" (52.203-12) are hereby incorporated by reference in this provision.

(c) Certification. SELLER hereby certifies to the best of its knowledge and belief that no Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress on its behalf in connection with the awarding of this contract.

(d) Disclosure. If any registrants under the Lobbying Disclosure Act of 1995 have made a lobbying contact on behalf of the offeror with respect to this contract, SELLER shall complete and submit, with its offer, to LOCKHEED MARTIN OMB Standard Form LLL, Disclosure of Lobbying Activities, to provide the name of the registrants. SELLER need not report regularly employed officers or employees of the offeror to whom payments of reasonable compensation were made.

(e) Penalty. Submission of this certification and disclosure is a prerequisite for making or entering into this contract imposed by 31



(D) Have not, within a three-year period preceding this offer, been notified of any delinquent Federal taxes in an amount that exceeds \$3,500 for which the liability remains unsatisfied.

(1) Federal taxes are considered delinquent if both of the following criteria apply:

(i) The tax liability is finally determined. The liability is finally determined if it has been assessed. A liability is not finally determined if there is a pending administrative or judicial challenge. In the case of a judicial challenge to the liability, the liability is not finally determined until all judicial appeal rights have been exhausted.

(ii) The taxpayer is delinquent in making payment. A taxpayer is delinquent if the taxpayer has failed to pay the tax liability when full payment was due and required. A taxpayer is not delinquent in cases where enforced collection action is precluded.

(2) Examples. (i) The taxpayer has received a statutory notice of deficiency, under I.R.C. Sec. 6212, which entitles the taxpayer to seek Tax Court review of a proposed tax deficiency. This is not a delinquent tax because it is not a final tax liability. Should the taxpayer seek Tax Court review, this will not be a final tax liability until the taxpayer has exercised all judicial appeal rights.

(ii) The IRS has filed a notice of Federal tax lien with respect to an assessed tax liability, and the taxpayer has been issued a notice under I.R.C. Sec. 6320 entitling the taxpayer to request a hearing with the IRS Office of Appeals contesting the lien filing, and to further appeal to the Tax Court if the IRS determines to sustain the lien filing. In the course of the hearing, the taxpayer is entitled to contest the underlying tax liability because the taxpayer has had no prior opportunity to contest the liability. This is not a delinquent tax because it is not a final tax liability. Should the taxpayer seek tax court review, this will not be a final tax liability until the taxpayer has exercised all judicial appeal rights.

(iii) The taxpayer has entered into an installment agreement pursuant to I.R.C. Sec. 6159. The taxpayer is making timely payments and is in full compliance with the agreement terms. The taxpayer is not



(b) Paragraph (a) applies only to the extent (1) SELLER performs work in the United States, or (2) recruits employees in the United States to Work on this Contract.

4. FAR 52.222-25 Affirmative Action Compliance

(a) SELLER represents: (1) that SELLER has developed and has on file at each establishment, Affirmative Action programs required by the rules and regulations of the Secretary of Labor (41 CFR 60-1 and 60-2), or (2) that in the event such a program does not presently exist, SELLER will develop and place in operation such a written Affirmative Action Compliance Program within one-hundred twenty (120) days from the award of this Contract.

(b) Paragraph (a) applies only to the extent (1) SELLER performs work in the United States, or (2) recruits employees in the United States to Work on this Contract