



**GENERAL PROVISIONS AND FAR FLOWDOWN PROVISIONS FOR SUBCONTRACTS/PURCHASE ORDERS  
(ALL AGENCIES) FOR NON-COMMERCIAL ITEMS UNDER A U.S. GOVERNMENT PRIME CONTRACT**

**SECTION 1**

- 1 Acceptance of Contract/Terms And Conditions
- 2 Applicable Laws
- 3 Assignment
- 4 Communication With Lockheed Martin Customer
- 5 Contract Direction
- 6 Definitions
- 7 Disputes
- 8 Export Control
- 9 Extras
- 10 Furnished Property
- 11 Gratuities/Kickbacks
- 12 Independent Contractor Relationship
- 13 Information of Lockheed Martin
- 14 Information of Seller
- 14 Information Of
- 15 Insurance/Entry on Lockheed Martin's Property
- 16 Intellectual Property Infringement
- 17 New Materials
- 18 Offset Credit/Cooperation

- 19 Packing and Shipment
- 20 Parts Obsolescence
- 21 Payments, Taxes, And Duties
- 22 Precedence
- 23 Priority Rating
- 24 Quality Control System
- 25 Release of Information
- 26 Timely Performance
- 27 Waiver, Approval, and Remedies
- 28 Warranty
- 29 Year 2000 Compliance

**SECTION II: FAR FLOWDOWN PROVISIONS**

- A Incorporation of FAR Clauses
  - B Government Subcontract
  - C Notes
  - D Amendments Required by Prime Contract
  - E FAR Flowdown Clauses
  - F Certifications and Representations
- (3) Where submission of cost or pricing data is required or requested at any time prior to or during performance of this Contract, if SELLER or its lower-tier subcontractors: (i) submit and/or certify cost or pricing data that are defective; (ii) with notice of applicable cutoff dates and upon LOCKHEED MARTIN's request to provide cost or pricing data, submit cost or pricing data, whether certified or not certified at the time of submission, as a prospective subcontractor, and any such data are defective as of the applicable cutoff date on LOCKHEED MARTIN's Certificate of Current Cost or Pricing Data; (iii) claim an exception to a requirement to submit cost or pricing data and such exception is invalid; (iv) furnish data of any description that is inaccurate; or (v) the U.S. Government alleges any of the foregoing; and, as a result, (1) LOCKHEED MARTIN's contract price or fee is reduced; (2) LOCKHEED MARTIN's costs are determined to be unallowable; (3) any fines, penalties or interest are assessed on LOCKHEED MARTIN; or (4) LOCKHEED MARTIN incurs any other costs or damages; Lockheed Martin may proceed as provided for in (4) below.

**SECTION I: GENERAL PROVISIONS**

**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) **Additional or differing terms or conditions proposed by provision, shall be construed and interpreted according to the federal common law of government contracts as enunciated and applied by federal judicial bodies, Boards of Contracts Appeals, and quasi-judicial agencies of the federal Government.**
- (b) (1) **SELLER agrees to comply with all applicable laws, orders, rules, regulations, and ordinances.**
- (2) **If: (i) LOCKHEED MARTIN's contract price or fee is reduced; (ii) LOCKHEED MARTIN's costs are determined to**

- (4) Upon the occurrence of any of the circumstances identified in (2) and (3) above, LOCKHEED MARTIN may make a reduction of corresponding amounts (in whole or in part) in the price, or in the costs and fee, of this Contract or any other contract with SELLER, and/or may demand payment (in

whole or in part) of the corresponding amounts. SELLER shall promptly pay amounts so demanded.

(5) These rights





(a) Year 2000 compliant, as used in this clause, means that with respect

(j) 52.246-2 INSPECTION OF SUPPLIES - FIXED PRICE (AUG

- (e) 52.215-13 SUBCONTRACTOR COST OR PRICING DATA - MODIFICATIONS (OCT 1997) (Applicable if FAR 52.215-11 applies to this Contract. The threshold for applicability of this clause is specified at FAR 15.403-4(a)(1). All of the duties and obligations which this clause imposes upon a sub-tier contractor shall be and are hereby imposed upon the CONTRACTOR with respect to LOCKHEED MARTIN in pricing the award of this Contract or any modification to this Contract.)
- (f) 52.215-15 TERMINATION OF DEFINED BENEFIT PENSION PLANS (OCT 1997) (Applicable if this Contract meets the applicability requirements of FAR 15.408(g); see Note 5.)
- (g) 52.215-16 FACILITIES CAPITAL COST OF MONEY (OCT 1997) (Applicable only if the Contract is subject to the Cost Principles at FAR Subpart 31.2 and the CONTRACTOR proposed facilities capital cost of money in its offer.)
- (h) 52.215-17 WAIVER OF FACILITIES CAPITAL COST OF MONEY (OCT 1997) (Applicable only if the Contract is subject to the cost principles at FAR Subpart 31.2 for Contracts with commercial organizations, and the CONTRACTOR did not propose facilities capital cost of money in its offer.)
- (i) 52.215-18 REVERSION OR ADJUSTMENT OF PLANS FOR POST-RETIREMENT BENEFITS (PRB) OTHER THAN PENSIONS (OCT 1997) (Applicable if this Contract meets the applicability requirements of FAR 15.408(i); see Note 5.)
- (j) 52.215-19 NOTIFICATION OF OWNERSHIP CHANGES (OCT 1997) (Applicable if this Contract meets the applicability requirements of FAR 15.408(k);. See Note 2.
- (k) 52.215-20 REQUIREMENTS FOR COST OR PRICING DATA OR INFORMATION OTHER THAN COST OR PRICING DATA (OCT 1997) (See Note 2.)
- (l) 52.215-21 REQUIREMENTS FOR COST OR PRICING DATA OR INFORMATION OTHER THAN COST OR PRICING DATA - MODIFICATIONS (OCT 1997) (See Note 2.)
- (m) 52.223-7 NOTICE OF RADIOACTIVE MATERIALS (JAN 1997) (Applicable to Work containing covered radioactive material. In the blank insert "30"; See Notes 1 and 2.)
- (n) 52.225-3 BUY AMERICAN ACT-SUPPLIES (JAN 1994) (Applicable if the Work contains other than domestic

F.



(6) **FAR 52.223-1 Clean Air and Water Certification**  
(Applicable to solicitations and Contracts exceeding \$100,000).

- a) Contractor certifies that any facility to be used in the performance of a contract is not listed on the Environmental Protection Agency List of Violating Facilities.
- b) Contractor shall immediately notify the LOCKHEED MARTIN Procurement Representative, before any contract award, or the receipt of any communication from the Administrator, or a designee, of the Environmental Protection Agency, indicating that any facility that the Offeror proposes to use for the performance of any contract is under consideration to be listed on the EPA list of Violating Facilities.

(7) **FAR 52.223-13 Certification Of Toxic Chemical Release Reporting** (Applicable to competitive solicitations/POs which exceed \$100,000)

- a) Submission of this certification is a prerequisite for making or entering into this contract imposed by Executive Order 12969, August 8, 1995.
- b) Seller certifies that--
  - 1) As the owner or operator of facilities that will be