

LOCKHEED MARTIN CORPORATION

CORPDOC 4 INT



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

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- (i) Those recorded costs that, at the time of the request for reimbursement, the SELLER has paid by cash, check, or other form of actual payment for items or services purchased directly for the Contract.
  - (ii) When the SELLER is not delinquent in paying costs of contract performance in the ordinary course of business, costs incurred, but not necessarily paid, for:
    - (A) Materials issued from the SELLER's inventory and placed in the production process for use on the Contract;
    - (B) Direct labor;
    - (C) Direct travel;
    - (D) Other direct in-house costs; and
    - (E) Properly allocable and allowable indirect costs, as shown in the records maintained by the SELLER for purposes of obtaining reimbursement under Government contracts.
  - (iii) The amount of progress payments that have been paid to the SELLER's subcontractors under similar cost standards.
- (2) SELLER contributions to any pension, profit sharing, or employee stock ownership plan funds that are paid quarterly or more often may be included in

### 3. APPLICABLE LAWS

- (a) This Contract shall be governed by the laws of the State from which this Contract was issued, excluding its choice of laws rules, except that any provision in this Contract that is (i) incorporated in full text or by reference from the Federal Acquisition Regulations (FAR) or (ii) incorporated in full text or by reference from any agency regulation that implements or supplements the FAR or (iii) that is substantially based on any such agency regulation or FAR 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 of the United States and the country where SELLER will be performing the Contract. The provisions of the "United Nations Convention on Contracts for International Sales of Goods" shall not apply to this Contract.
- (2) If: (i) LOCKHEED MARTIN's contract cost or fee is reduced; (ii) LOCKHEED MARTIN's costs are determined to be unallowable; (iii) any fines, penalties or interest are assessed on LOCKHEED MARTIN; or (iv) LOCKHEED MARTIN incurs any other costs or damages; as a result of any violation of applicable laws, orders, rules, regulations, or ordinances by SELLER, its officers, employees, agents, suppliers, or subcontractors at any tier, LOCKHEED MARTIN may proceed as provided for in (4) below.
- (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; or (iv) furnish data of any description that is inaccurate or, if 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.
- (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. Such sums shall not be considered allowable costs under any provision of the Contract.
- (c) 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 of the Environmental Protection

Administration pursuant to the Toxic Substances Control Act (15 U.S.C. Sec. 2601 et seq.) as amended.

- (d) SELLER shall provide to LOCKHEED MARTIN with each delivery any Material Safety Data Sheet applicable to the Work in conformance with and containing such information as required by the Occupational Safety and Health Act of 1970 and regulations promulgated thereunder, or its state approved counterpart.

### 4. ASSIGNMENT

Any assignment of SELLER's contract rights or delegation of duties shall be void, unless prior written consent is given by LOCKHEED MARTIN.

### 5. COMMUNICATION WITH LOCKHEED MARTIN CUSTOMER

LOCKHEED MARTIN shall be solely responsible for all liaison and coordination with the LOCKHEED MARTIN customer, including the U. S. Government, as it affects the applicable Prime Contract, this Contract, and any related contract.

### 6. CONTRACT DIRECTION

- (a) Only the LOCKHEED MARTIN Procurement Representative has authority to make changes in or amendments to this Contract. Such amendments must be in writing.
- (b) LOCKHEED MARTIN engineering and technical personnel may from time to time render assistance or give technical advice or discuss or effect an exchange of information with SELLER's personnel concerning the Work hereunder. Such actions shall not be deemed to be a change under the "Changes" clause of this Contract and shall not be the basis for equitable adjustment.

- (e) "LOCKHEED MARTIN Procurement Representative" means the person authorized by LOCKHEED MARTIN's cognizant procurement organization to administer and/or execute this Contract.

(b) If elsewhere in the Contract LOCKHEED MARTIN is not indicated as importer of record, then Seller agrees that:

(i) LOCKHEED MARTIN will not be a party to the importation

(b) Payment shall be deemed to have been made as of the date of



- (l) 52.246-3 INSPECTION OF SUPPLIES - COST REIMBURSEMENT (APR 1984) (See Note 1 except (1) in paragraphs (b), (c) and (d) where it means "Lockheed Martin and the Government" and in paragraph (k) where the term is unchanged. In subparagraph (e), change "60 days" to "120 days", and in subparagraph (f) change "6 months" to "12 months".)
- (m) 52.246-5 INSPECTION OF SERVICES - COST REIMBURSEMENT (APR 1984) (See Note 4 in paragraphs (b) and (c). See Note 1 in paragraphs (d) and (e).)
- (n) 52.249-6 TERMINATION (COST-REIMBURSEMENT) (SEP 1996) (See Notes 1 and 2. Substitute "90 days" for "120 days" and "90-day" for "120-day" in paragraph (d). Substitute "180 days" for "1 year" in paragraph (f). Delete paragraph (j). Settlements and payments under this clause may be subject to the approval of the Prime Contract's Contracting Officer.)
- (o) 52.249-14 EXCUSABLE DELAYS (APR 1984) (See Note 2.)

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**3 2. The following FAR clauses apply to this Contract if the value of this Contract equals or exceeds \$100,000:**

- (a) 52.203-6 RESTRICTIONS ON SUBCONTRACTOR SALES TO THE GOVERNMENT (JUL 1995)
- (b) 52.203-12 LIMITATION ON PAYMENTS TO INFLUENCE CERTAIN FEDERAL TRANSACTIONS (JUN 1997) (See Note 5.)
- (c) 52.215-2 AUDIT AND RECORDS-NEGOTIATION (JUN 1999) (Applicable if (1) CONTRACTOR was required to furnish cost or pricing data, or (2) the Contract requires CONTRACTOR to furnish cost, funding or performance reports. Insert "and the LOCKHEED MARTIN Purchasing Representative" after "the Contracting Officer or representatives of the Contracting Officer" or after "... representatives of the Contracting Officer who are employees of the Government", where indicated throughout the clause. If this is a cost type contract with an educational institution or other non-profit organization, add ALT II (JAN 1997).)
- (d) 52.222-4 CONTRACT WORK HOURS AND SAFETY STANDARDS ACT - OVERTIME COMPENSATION (JUL 1995)
- (e) 52.227-1 AUTHORIZATION AND CONSENT (JUL 1995) (Applicable only if the Prime Contract contains this clause. In subparagraph (a)(1) see Note 4, in subparagraph (a)(2)(ii) see Note 2.)
- (f) 52.227-2 NOTICE AND ASSISTANCE REGARDING PATENT AND COPYRIGHT INFRINGEMENT (AUG 1996) (See Notes 2 and 4.)
- (g) 52.247-64 PREFERENCE FOR PRIVATELY OWNED U.S.-FLAG COMMERCIAL VESSELS (JUN 1997) (See Note 2.)

- (h) 52.248-1 VALUE ENGINEERING (MAR 1989) (See Note 1, except in subparagraphs (c)(5) and (m), See Note 3.)

**3. The following FAR clauses apply to this Contract if the value of this Contract equals or exceeds \$500,000:**

- (a) 52.215-12 SUBCONTRACTOR COST OR PRICING DATA (OCT 1997) (Applicable if not otherwise exempt under FAR 15.403.)
- (b) 52.215-13 SUBCONTRACTOR COST OR PRICING DATA - MODIFICATIONS (OCT 1997) (Applicable for modifications if not otherwise exempt under FAR 15.403.)

**4. The following clauses apply as indicated:**

- (a) 52.204-2 SECURITY REQUIREMENTS (AUG 1996) (Applicable if the Work requires access to classified information. Delete paragraph (c) of the clause.)
- (b) 52.215-10 PRICE REDUCTION FOR DEFECTIVE COST OR PRICING DATA (OCT 1997) (Applicable if cost or pricing data is required. See Notes 2 and 4. Rights and obligations under this clause shall survive completion of the Work and final payment under this Contract.)
- (c) 52.215-11 PRICE REDUCTION FOR DEFECTIVE COST OR PRICING DATA - MODIFICATIONS (OCT 1997)(Applicable if cost or pricing data is required for modifications. See Notes 2 and 4. Rights and obligations under this clause shall survive completion of the Work and final payment under this Contract.)
- (d) 52.215-15 PENSION ADJUSTMENTS AND ASSET REVERSIONS (DEC 1998) (Applicable if this Contract meets the applicability requirements of FAR 15.408(g); see Note 5.)
- (e) 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.)
- (f) 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 and the CONTRACTOR did not propose facilities (e(T)-4.( t)651~-12.8605 8(R)-5133271823.2(i)-11.9(-A23.3(a)23



- (i) 52.215-20 REQUIREMENTS FOR COST OR PRICING DATA OR INFORMATION OTHER THAN COST OR PRICING DATA (OCT 1997) (See Note 2.)
- (j) 52.215-21 REQUIREMENTS FOR COST OR PRICING DATA OR INFORMATION OTHER THAN COST OR PRICING DATA - MODIFICATIONS (OCT 1997) (See Note 2.)
- (k) 52.223-3 HAZARDOUS MATERIAL IDENTIFICATION AND MATERIAL SAFETY DATA (JAN 1997) (Applicable if the Contract involves hazardous material. See Notes 2 and 3.)
- (l) 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.)
- (m) 52.225-9 BUY AMERICAN ACT-TRADE AGREEMENTS – BALANCE OF PAYMENTS PROGRAM (JAN 1996) (Applicable if the Work contains other than domestic components as defined by this clause.)
- (n) 52.225-10 DUTY FREE ENTRY (APR 1984) (Applicable if supplies will be imported into the Customs Territory of the United States. In subparagraph (b)(1) the notice provision shall be 20 days. See Notes 3, 5 and 6.)
- (o) 52.227-9 REFUND OF ROYALTIES (APR 1984) (Applicable when reported royalty exceeds \$250. See Notes 1 and 2.)
- (p) 52.227-10 FILING OF PATENT APPLICATIONS-CLASSIFIED SUBJECT MATTER (APR 1984) (Applicable if the Work or any patent application may cover classified subject matter.)
- (q) 52.227-11 PATENT RIGHTS-RETENTION BY THE SELLER (SHORT FORM) (JUN 1997) (Applies if this Contract is for experimental, developmental, or research Work and CONTRACTOR is a small business firm or domestic nonprofit organization. Reports required by this clause shall be filed with the agency identified in this Contract. If no agency is identified, contact LOCKHEED MARTIN's Purchasing Representative identified on the face of the Contract.)
- (r) 52.227-12 PATENT RIGHTS-RETENTION BY THE SELLER (LONG FORM) (JAN 1997) (Applies if this Contract is for experimental, developmental, or research Work and CONTRACTOR is a large business concern. Reports required by this clause shall be filed with the agency identified in this Contract. If no agency is identified, contact LOCKHEED MARTIN's Purchasing Representative identified on the face of the Contract)

- (c) 52.222-26 EQUAL OPPORTUNITY (FEB 1999) (Only subparagraphs (b)(1)-(11) applies.)
  - (d) 52.223-11 OZONE-DEPLETING SUBSTANCES (JUN 1996) (Applicable if the Work was manufactured with or contains ozone-depleting substances.)
- (ii) **The following FAR Clauses apply to this Contract if the value of this Contract equals or exceeds \$10,000:**
- (a) 52.222-35 AFFIRMATIVE ACTION FOR DISABLED VETERANS AND VIETNAM ERA VETERANS (APR 1998)
  - (b) 52.222-36 AFFIRMATIVE ACTION FOR WORKERS WITH DISABILITIES (JUNE 1998)
  - (c) 52.222-37 EMPLOYMENT REPORTS ON DISABLED VETERANS AND VETERANS OF THE VIETNAM ERA (JAN 1999)
- (iii) **The following FAR Clauses apply to this Contract if the value of this Contract equals or exceeds \$100,000:**
- (a) 52.222-4 CONTRACT WORK HOURS AND SAFETY STANDARDS ACT - OVERTIME COMPENSATION (JUL 1995)
  - (b) 52.223-2 CLEAN AIR AND WATER (APR 1984)
  - (c) 52.223-14 TOXIC CHEMICAL RELEASE REPORTING (OCT 1996) (Delete subparagraph (e).)
- (iv) **The following FAR Clauses apply to this Contract if the value of this Contract equals or exceeds \$500,000:**
- (a) 52.219-9 SMALL BUSINESS SUBCONTRACTING PLAN (OCT 1999) (Applicable if the CONTRACTOR is not a small business. See Note 1 and Note 2, applicable to subparagraph (c) only. The CONTRACTOR's subcontracting plan is incorporated herein by reference.)
  - (b) 52.230-3 DISCLOSURE AND CONSISTENCY OF COST ACCOUNTING PRACTICES (APR 1998) (When referenced in the Contract, Modified CAS Coverage applies. In subparagraphs (a)(3)(ii) and (a)(4) see Note 1. Delete paragraph (b) of the clause.)
  - (c) 52.230-6 ADMINISTRATION OF COST ACCOUNTING STANDARDS (NOV 1999) (Applicable if FAR 52.230-2 or FAR 52.230-3 applies.)

whenever these terms and conditions are incorporated by reference in any Contract, agreement, other contractual document or any quotation, request for quotation oral or written, request for proposal or solicitation (p-1, (or) or rrrttep, issu(p-1, epp LOCKHEED MARTIN. CONTOR shall immediately notify LOCKHEED MARTIN of any change of status with regard to these certifications and representations.

- (2) The following case of the Acquisition Region (F)(p-1, AR) are incorporated herein b[10.8(y)10.8(r)6.6(e)1.3(f)6.6(e)1.3(r)6.6(e)1.3(n)10.8(ce)-6 or subcontract. In each clause incorporated b[10.9(e)1.4(l)10.9(w,-)6.5(Agency)(p)(-)-23.3(an)10.2(d)10.2( "(p)(L)4.9(OC)-8)(KHEED MAR)-8TIN
- .A) **FR 52.203-11 Certification and Disclosure Regarding Payments to Influence Certain Federal Transactions**, Applicable to solicitations and contracts exceeding \$100,000
- .i) The definitions contained in the case, at F[(p3,A)-9.8(R)-1852.203-12, Limitation on Payments to Influence Certain Federal Transactions are hereby incorporated by reference in paragraph (b) of this certification.
  - .ii) CNTC certifies that to the best of its knowledge and belief that on and after December 23, 1989--
    - .a) No Federal funds have been paid or will be to any person for influence of an employee of any agency, a

**G. CERTIFICATIONS AND REPRESENTATIONS**

- (1) **This clause contains certifications and representations that are material representations of fact upon which LOCKHEED MARTIN will rely in making awards to CONTRACTOR. By submitting its written offer, or providing oral offers/quotations at the request of LOCKHEED MARTIN, or accepting any Contract, CONTRACTOR certifies to the representations and certifications as set forth below in this clause. These certifications shall apply**

(B)