

**LOCKHEED MARTIN CORPORATION**

**CORPDOC 3INT**

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

**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) 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 and construed in accordance with by the laws of the State from which this Contract is issued by Lockheed Martin, without regard to its conflicts of laws provisions, except that any provision in this Contract that is: (i) incorporated in full text or by reference from the Federal Acquisition Regulation (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 coderappperforming the Contract. SELLER shall comply with of all applicable guidelines a
- (2) If: (i) LOCKHEED MARTIN's contract price is unallowable; (iii) any fines, penalties, or interest is incurred; (iv) SELLER incurs any other costs or damages; as a result of

(A) LOCKHEED MARTIN's contract price or fee is reduced; (B) LOCKHEED MARTIN's costs are determined to be unallowable; (C) any fines, penalties, or interest are assessed on LOCKHEED MARTIN; or (D) 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, other than withholdings, identified in paragraphs (2) and (3) above, LOCKHEED MARTIN may make a reduction of corresponding amounts (in whole or in part) in the price 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. In the case of withholding(s), LOCKHEED MARTIN may withhold the same amount from SELLER under this Contract.**

(c)(1) Seller shall comply with applicable laws and regulations relating to anti-corruption, including, without limitation, (i) the United States Foreign Corrupt Practices Act (FCPA) (15 U.S.C. §§78dd-1, et. seq.) irrespective of the place of performance, and (ii) laws and regulations implementing the Organization for Economic Cooperation and Development's Convention on Combating Bribery of Foreign Public Officials in International Business Transactions, the U.N. Convention Against Corruption, and the Inter-American Convention Against Corruption in SELLER's country or any country where performance of this Contract will occur.

(2) In carrying out its responsibilities under this Contract –

(i) SELLER represents that it has not paid, offered, promised to pay or authorized and will not pay, offer, promise to pay, or authorize the payment directly or indirectly of any monies or anything of value to (i) any person or firm employed by or acting for on behalf of any customer, whether private or governmental, or (ii) any government official or employee or any political party or candidate for political office for the purpose of influencing any act or decision or inducing or rewarding any action by the customer in any commercial transaction or in any governmental matter or securing any improper advantage to assist LOCKHEED MARTIN or SELLER in obtaining or retaining business or directing business to any person.

(ii) No owner, partner, officer, director or employee of SELLER or of any parent or subsidiary company of SELLER is or will become an official or employee of the government or of an agency or instrumentality of a government or a candidate for political office or a political party official during the term of this Contract, unless such person obtains the prior written approval of LOCKHEED MARTIN.

(iii) SELLER has not made and will not make, either directly or indirectly, any improper payments.

(iv) SELLER has not made and will not make any facilitating payment (as that term is defined in the FCPA) without the prior written approval of LOCKHEED MARTIN.

(d) If the Work is to be shipped to, or performed in the United States:

(1) 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.

(2) SELLER shall provide to LOCKHEED MARTIN with each delivery any Material Safety Data Sheet applicable to the Work for the performance and maintenance of the Work. ~~Original copies of the SDS shall be provided to the customer in accordance with the SDS requirements of the OSHA 29 CFR 1910.1200 and 1910.1201, and the EPA 40 CFR 355.101 through 355.105, and the DOT 49 CFR 172.101 through 172.103, and the IATA 6.2.1 through 6.2.4, and the ICAO Annex 18, and the ICAO Annex 17, and the ICAO Annex 16, and the ICAO Annex 15, and the ICAO Annex 14, and the ICAO Annex 13, and the ICAO Annex 12, and the ICAO Annex 11, and the ICAO Annex 10, and the ICAO Annex 9, and the ICAO Annex 8, and the ICAO Annex 7, and the ICAO Annex 6, and the ICAO Annex 5, and the ICAO Annex 4, and the ICAO Annex 3, and the ICAO Annex 2, and the ICAO Annex 1, and the ICAO Annex 0.~~







(g) If Sublicensing is authorized in writing by LOCKHEED

(b) By accepting this Contract, SELLER certifies and represents that it has not made or solicited and will not make or solicit kickbacks in violation of FAR 52.203-7 or the Anti-Kickback Act of 1986 (41 USC 51-58), both of which are incorporated herein by this specific reference, except that paragraph (c)(1) of FAR 52.203-7 shall not apply.

(a) In the event that SELLER, its employees, agents, or subcontractors enter the site(s) of LOCKHEED MARTIN or its customers for any reason in connection with this Contract then SELLER and its subcontractors shall maintain for the performance of this Contract workers compensation, commercial (CGL) and automobile liability (AL) (third party bodily injury and property damage liability) insurance with a minimum of \$1,000,000 per occurrence limit and such other insurance as LOCKHEED MARTIN may require. SELLER shall provide LOCKHEED MARTIN thirty (30) days advance written notice prior to the effective date of any cancellation or change in the term or coverage of any of SELLER's required insurance, provided however such notice shall not relieve SELLER of its obligations to maintain the required insurance. SELLER shall name LOCKHEED MARTIN as an additional insured to the CGL and AL policies for the duration of this Contract. If requested, SELLER shall provide LOCKHEED MARTIN with a "Certificate of Insurance" evidencing SELLER's compliance with these requirements. Insurance maintained pursuant to this clause shall be considered primary as respects the interest of LOCKHEED MARTIN and is not contributory with any



(d) All reports, memoranda or other materials in written form, including machine readable form, prepared by SELLER pursuant to this Contract and furnished to LOCKHEED MARTIN by SELLER hereunder shall become the sole property of LOCKHEED MARTIN.

## **21. LANGUAGE AND STANDARDS**

All reports, correspondence, drawings, notices, marking, and other communications shall be in the English language. The English version of the Contract shall prevail. Unless otherwise provided in writing all documentation and work shall employ the units of United States Standard weights and measures.

## **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. PACKING AND SHIPMENT**

(a) Unless otherwise specified, all Work is to be packed in accordance with good commercial practice.

(b) A complete packing list shall be enclosed with all shipments. SELLER shall mark containers or packages with necessary lifting, loading, and shipping information, including the LOCKHEED MARTIN Contract number, item number, dates of shipment, and the names and addresses of consignor and consignee. Bills of lading shall include this Contract number.

(c) Unless otherwise specified, delivery is FCA Free Carrier, in accordance with INCOTERMS 2000. Carrier and site of delivery for the goods shall be specified in the Contract.



### 30. 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 or its subcontractors without the prior written approval of LOCKHEED MARTIN.

### 31. SEVERABILITY

Each clause, paragraph and subparagraph 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**31. SEVERABILITY**

(b) LOCKHEED MARTIN's approval of documents shall not relieve SELLER of its obligation to comply with the requirements of this Contract.

(c) The rights and remedies of either party in this Contract are cumulative and in addition to any other rights and remedies provided by law or in equity.

### **35. WARRANTY**

SELLER warrants that all Work furnished pursuant to this Contract shall strictly conform to applicable specifications, drawings, samples, descriptions, and other requirements of this Contract and be free from defects in design, material, and workmanship. This warranty shall begin upon final acceptance and extend for a period of one (1) year. If any nonconforming Work is identified within the warranty period, SELLER, at LOCKHEED MARTIN's option, shall promptly repair, replace, or reperform the Work. Transportation of replacement Work, return of nonconforming Work, and reperformance of Work shall be at SELLER's expense. If repair, or replacement, or reperformance of Work is not timely, LOCKHEED MARTIN may elect to return, reperform, repair, replace, or reprocur the non-conforming Work at SELLER's expense. All warranties shall run to LOCKHEED MARTIN and its customers.

## **SECTION II - FAR FLOWDOWN PROVISIONS**

### **A. INCORPORATION OF FAR CLAUSES**

The Federal Acquisition Regulation (FAR) 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



- (e) FAR 52.225-13 RESTRICTIONS ON CERTAIN FOREIGN PURCHASES (JUN 2008)
- (f) FAR 52.227-13 PATENT RIGHTS - OWNERSHIP BY THE GOVERNMENT (DEC 2007)
- (g) FAR 52.227-14 RIGHTS IN DATA - GENERAL06 T030r0 2007)
- (h) FAR 52.234-1 INDUSTRIAL0RESOURCES DEVELOPED UNDER DEFENSE PRODUCTION ACT TITLE III (DEC 1994Note 1 and 2 ap
- (i) FAR 52.242-13 BANKRUPTCY (JUL06 T19950Note 1 and 2 ap
- (j) FAR 52.242-15 STOP-WORK ORDER (AUG 19890Note 1 a
- (k) FAR 52.243-106 TCHANGES - FIXED PRICE (AUG 1987) and 2 apply.)
- (l) FAR 52.244-6 SUBCONTRACTS FOR COMMERCIAL0ITEMS (DEC 2009)
- (m) FAR 52.246-2 INSPECTION OF SUPPLIES - FIXED PRICE (AUG 19es, exce  
paragraph (b) the second time "Government" appeaf                   ), (h), (j), and (l) where Note 1 applie)

(f) FAR 52.248-1 VALUE ENGINEERING (FEB 2000) (Note 1 applies, except in paragraphs (c)(5) and (m), where Note 3 applies and except in (b)(3) where Note 4 applies, and where "Government" precedes "cost" throughout. Note 2 applies.)

**3. The following FAR clauses apply to this Contract if the value of this Contract equals or exceeds \$650,000:**

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

(b) FAR 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 FAR clauses apply to this Contract if the value of this Contract equals or exceeds \$5,000,000:**

(j) FAR 52.215-23 LIMITATION ON PASS-THROUGH CHARGES (OCT 2009) (Applicable if the prime contract to which this contract relates is with DoD. Applies to subcontracts in excess of \$650,000 except those that meet the criteria of 15.408(n)(2)(i)(B)(2). Notes 4 and 6 apply.)

(k) FAR 52.223-3 HAZARDOUS MATERIAL IDENTIFICATION AND MATERIAL SAFETY DATA (JAN 1997) (Applicable if this Contract involves hazardous material. Notes 2 and 3 apply, except for paragraph (f) where Note 4 applies.)

(l) FAR 52.223-7 NOTICE OF RADIOACTIVE MATERIALS (JAN 1997) (Applicable to Work containing covered radioactive material. In the blank insert "30". Notes 1 and 2 apply.)

(m) FAR 52.225-5 TRADE AGREEMENTS (AUG 2009) (Applicable if the Work contains other than U.S. made or designated country end products as specified in the clause.)

(n) FAR 52.225-8 DUTY FREE ENTRY (FEB 2000) (Applicable if supplies will be imported into the Customs Territory of



added as paragraph (n) "Seller shall provide to Lockheed Martin immediate notice if the Government or other contractor (i) revokes its assumption of loss under any direct contracts with Seller, or (ii) makes a determination that Seller's property management practices are inadequate, and/or present an undue risk, or that Seller has failed to take corrective action when required.")

(x) FAR 52.247-63 PREFERENCE FOR U.S.-FLAG AIR CARRIERS (JUN 2003) (Applicable if this Contract involves international air transportation.)

**6. The following FAR clauses apply to this Contract, if Work under the Contract will performed in the United States or Contractor is recruiting employees in the United States to Work on the Contract:**

**(i) The following FAR clauses apply to this Contract:**



Contractor acknowledges that LOCKHEED MARTIN will rely upon Contractor certifications and representations contained in this clause and in any written offer, proposal or quote,



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

(b) Contractor represents that if Contractor has participated in a previous contract or subcontract subject to the Equal Opportunity clause (FAR 52.222-26), (1) Contractor has filed all required compliance reports and (2) that representations indicating submission of required compliance reports, signed by proposed subcontractors, will be obtained before subcontract awards.

#### **4. FAR 52.222-25 Affirmative Action Compliance**

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

(b) Contractor represents: (a) that Contractor 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 (b) that in the event such a program does not presently exist, Contractor 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.

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

(a) Executive Order 13148, of April 21, 2000, Greening the Government through Leadership in Environmental Management, requires submission of this certification as a prerequisite for contract award.

(b) Contractor certifies that --

(1) As the owner or operator of facilities that will be used in the performance of this contract that are subject to the filing and reporting requirements described in section 313 of the Emergency Planning and Community Right-to-Know Act of 1986 (EPCRA) (42 U.S.C. 11023) and section 6607 of the Pollution Prevention Act of 1990 (PPA) (42 U.S.C. 13106), the offeror will file and continue to file for such facilities for the life of the contract the Toxic Chemical Release Inventory Form (Form R) as described in sections 313(a)

(C) Major group codes 20 through 39.

(D) Industry code 4911, 4931, or 4939 (limited to facilities that combust coal and/or oil for the purpose of generating power for distribution in commerce).

(E) Industry code 4953 (limited to facilities regulated under the Resource Conservation and Recovery Act, Subtitle C (42