

**LOCKHEED MARTIN CORPORATION**

**CORPDOC 3C**

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

**A. INCORPORATION OF FAR AND DEAR CLAUSES**

The FAR and DEAR 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 any of the clauses listed below is different from the date or substance of the clause actually incorporated in the Prime Contract referenced by number herein, the date or substance of the clause incorporated by said Prime Contract shall apply instead. The Contracts Disputes Act shall have no application to this Contract, and nothing in this Contract grants SELLER a direct claim or cause of action against the U.S. Government. Any reference to a "Disputes" clause shall mean the "Disputes" clause of this Contract. SELLER shall include in each lower-tier subcontract the appropriate flow down clauses as required by the FAR and FAR Supplement clauses included in this Contract.

**B. GOVERNMENT SUBCONTRACT**

(a) This Contract is entered into by the parties in support of a U.S. Government contract.

(b) As used in the FAR and DEAR clauses referenced below and otherwise in this Contract:

1. "Commercial product" means any such product as defined in FAR 2.101.

2. "Commercial service" means any such service as defined in FAR 2.101.

3. "Commercially available off-the-shelf (COTS) item" means a COTS item as defined in FAR 2.4(i)(2.9(C6(t)-2.1.5(R)C)-1.8(d4(s)1)

9. "Head of Agency" means the Secretary, Deputy Secretary

10. "Prime Contract" means the contract between LOCKHEED MARTIN and the U.S. Government or between LOCKHEED MARTIN and its higher-tier contractor who has a contract with the U.S. Government.

11. "Subcontract" means any contract placed by SELLER or lower-tier subcontractors under this Contract.

### **C. NOTES**

(a) The following notes apply to the clauses incorporated by reference below only when specified in the parenthetical phrase following the clause title and date.

1. Substitute "LOCKHEED MARTIN" for "Government" or "United States" throughout this clause.

2. Substitute "LOCKHEED MARTIN Procurement Representative" for "Contracting Officer", "Administrative Contracting Officer", and "ACO" throughout this clause.

3. Insert "and LOCKHEED MARTIN" after "Government" throughout this clause.

4. Insert "or LOCKHEED MARTIN" after "Government" throughout this clause.

5. Communication/notification required under this clause from/to SELLER to/from the Contracting Officer shall be through LOCKHEED MARTIN.

6. Insert "and LOCKHEED MARTIN" after "Contracting Officer", throughout the clause.

7. Insert "or LOCKHEED MARTIN PROCUREMENT REPRESENTATIVE" after "Contracting Officer", throughout the clause.

8. If SELLER is an international contractor, this clause applies to this Contract only if Work under the Contract will be performed in the United States or Contractor is recruiting employees in the United States to Work on the Contract.

(b) See also the clause of this Contract entitled Communication with Lockheed e(1.7(p).3(h)-4.2(u)("-)-2)3.9(m)4.8(u)T 0 0 1 36 1 -

If LOCKHEED MARTIN furnishes designs, drawings, special tooling, equipment, engineering data, or other technical or proprietary information (Furnished Items) which the U. S. Government owns or has the right to authorize the use of, nothing herein shall be construed to mean that LOCKHEED MARTIN, acting on its own behalf, may modify or limit any rights the Government may have to authorize SELLER's use of such Furnished Items in support of other U. S. Government prime contracts.

## **F. PROVISIONS OF THE FEDERAL ACQUISITION REGULATION (FAR) INCORPORATED BY REFERENCE**

The following FAR clauses apply to this Contract:

FAR 52.203-6 RESTRICTIONS ON SUBCONTRACTOR SALES TO THE GOVERNMENT (JUN 2020) (Applies if this Contract exceeds the threshold specified in FAR 3.808 on the date of award of this Contract).

FAR 52.203-12 LIMITATION ON PAYMENTS TO INFLUENCE CERTAIN FEDERAL TRANSACTIONS (JUN 2020) (Applies if this Contract exceeds the threshold specified in FAR 3.808 on the date of award of this Contract).

FAR 52.203-13 CONTRACTOR CODE OF BUSINESS ETHICS AND CONDUCT (NOV 2021) (Applies if this Contract exceeds the threshold specified in FAR 3.1004(b)(1) on the date of this Contract and has a period of performance of more that 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) (NOV 2021) (Applies if this Contract exceeds threshold specified in FAR 3.1004(b)(1) on the date of award of this Contract. 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 (JUN 2020) Applies if this Contract exceeds the simplified acquisition threshold in effect on the date of award of this Contract.4(if 0 0 1 36 59.6(h)16(e)-3.3i1.8( 815.66(n)13. )-2.4((2(C)9.3s6T)-2GA)-5.1(5)-3.aIT( )72.3(A3)-2.5



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



FAR 52.222-37 EMPLOYMENT REPORTS ON VETERANS (JUN 2020) (Applies if this Contract is valued at or above the threshold specified in FAR 22.1303(a) on the date of this Contract. Note 8 applies.)

FAR 52.222-40 NOTIFICATION OF EMPLOYEE RIGHTS UNDER THE NATIONAL LABOR RELATIONS ACT (DEC 2010) (Applies if this Contract exceeds \$10,000. Note 8 applies.)







in paragraph (f). In paragraph (f) add after "33.104(h) (1)" the following: "and recovers those costs from LOCKHEED MARTIN".)

property management practices are inadequate, and/or present an undue risk, or that SELLER has failed to take corrective action when required.")

FAR 52.246-2 INSPECTION OF SUPPLIES - FIXED PRICE (AUG 1996) (Note 2 applies. Note 3 applies, except in paragraph (b) the second time "Government" appears; (f), (h), (j), and (l) where Note 1 applies.)

FAR 52.249-8 DEFAULT (FIXED-PRICE SUPPLY AND SERVICE) (APR 1984) (Notes 1 and 2 apply, except Note 1 is not applicable to paragraph (c). Note 4 applies to the second and third time "Government" appears in paragraph (e). Timely performance is a material element of this Contract.)

#### **G. PROVISIONS OF THE DEPARTMENT OF ENERGY ACQUISITION REGULATION (DEAR) INCORPORATED BY REFERENCE**

The following DEAR clauses apply to this Contract:

DEAR 952.203-70 WHISTLEBLOWER PROTECTION FOR CONTRACTOR EMPLOYEES (DEC 2000)

DEAR 952.204-2 SECURITY (AUG 2016) (Applies if this Contract involves classified information. Replaces FAR 52.204-2.)

DEAR 952.204-70 CLASSIFICATION/DECLASSIFICATION (AUG 2009) (Applies if this Contract involves classified information.)

DEAR 952.204-71 SENSITIVE FOREIGN NATIONS CONTROLS (MAR 2011) (Applies if this Contract is for unclassified research which may involve making information about nuclear technology available to certain sensitive foreign nations as indicated in DOE Order 1240.2. Note 2 apply. In paragraph (a), substitute "40 days" for "60 days" in the second sentence.)

DEAR 952.204-73 FACILITY CLEARANCE (AUG 2016) (SELLER shall submit the certifications covered by this clause directly to the DOE contracting officer identified by LOCKHEED MARTIN. A copy shall also be provided to LOCKHEED MARTIN.)

DEAR 952.204-77 COMPUTER SECURITY (AUG 2006) (Applies if SELLER will have access to computers owned, leased or operated on behalf of the DOE.)

DEAR 952.208-70 PRINTING (APRIL 1984) (Note 2 applies.)

DEAR 952.209-72 ORGANIZATIONAL CONFLICTS OF INTEREST (AUG 2009) and (ALT I) (Applies if this Contract exceeds the simplified acquisition threshold and is for advisory and assistance services. In paragraphs (c)(1), delete "The Department" and substitute in lieu of "LOCKHEED MARTIN". In paragraph (c)(2), delete "DOE" and substitute in lieu of "LOCKHEED MARTIN". The required disclosure shall be provided to the LOCKHEED MARTIN Procurement Representative. Note 2 applies. Note 3 applies in paragraph (f). Note 4 applies to paragraph (c), (d) and (e).)

DEAR 952.225-71 COMPLIANCE WITH EXPORT CONTROL LAWS AND REGULATIONS (NOV 2015)

DEAR 952.226-74 DISPLACED EMPLOYEE HIRING PREFERENCE (JUN 1997) (Applies if this contract exceeds \$500,000.)

DEAR 952.227-11 PATENT RIGHTS - RETENTION BY THE CONTRACTOR (SHORT FORM) (FEB 1995) (Applies if this Contract

DEAR 952.227-13 PATENT RIGHTS - ACQUISITION BY THE GOVERNMENT (SEP 1997) (Applies if the contract is for experimental, developmental, or research work and SELLER is other than a small business firm or domestic nonprofit organization.)

DEAR 952.227-14 RIGHTS IN DATA-GENERAL (FEB 1998) (This clause supplements FAR 52.227-14.)

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.

(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 delinquent because the taxpayer is not currently required to make full payment.

(iv) The taxpayer has filed for bankruptcy protection. The taxpayer is not delinquent because enforced collection action is stayed under 11 U.S.C. 362 (the Bankruptcy Code).

#### 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