

LOCKHEED MARTIN CORPORATION

CORPDOC 2B

**NATIONAL AERONAUTICS AND SPACE ADMINISTRATION (NASA)
FAR SUPPLEMENT (NASA FARS) FLOWDOWN PROVISIONS
FOR SUBCONTRACTS/PURCHASE ORDERS FOR COMMERCIAL ITEMS
UNDER A U.S. GOVERNMENT PRIME CONTRACT**

A. INCORPORATION OF FAR AND NASA FAR SUPPLEMENT CLAUSES

The Federal Acquisition Regulation Supplement (FAR) and NASA FAR Supplement 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. Any reference to a "Disputes" clause shall mean the "Disputes" clause of 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 NASA FARS clauses referenced below and otherwise in this Contract:

1. "Administrator" means the Administrator or Deputy Administrator of NASA; and the term "his duly authorized representative" means any person or persons or board "other than the Contracting Officer" authorized to act for the Administrator.
2. "Commercial Item" means a commercial item as defined in FAR 2.101.
3. "Contract" means this contract.
4. "Contracting Officer" shall mean the U.S. Government Contracting Officer for LOCKHEED MARTIN's government prime contract under which this Contract is entered.
5. "Contractor" and "Offeror" means the SELLER, which is the party identified on the face of the Contract with whom Lockheed Martin is contracting, acting as the immediate subcontractor to LOCKHEED MARTIN.
6. "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.
7. "Subcontract" means any contract placed by the Contractor or lower-tier subcontractors under this Contract.

C. NOTES

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 the Contractor 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.

D. AMENDMENTS REQUIRED BY PRIME CONTRACT

SELLER agrees that upon the request of LOCKHEED MARTIN it will negotiate in good faith with LOCKHEED MARTIN relative to amendments to this Contract to incorporate additional provisions herein or to change provisions hereof, as LOCKHEED MARTIN may reasonably deem necessary in order to comply with the provisions of the applicable Prime Contract or with the provisions of amendments to such Prime Contract. If any such amendment to this Contract causes an increase or decrease in the cost of, or the time required for, performance of any part of the Work under this Contract, an equitable adjustment shall be made pursuant to the "Changes" clause of this Contract.

E. PRESERVATION OF THE GOVERNMENT'S RIGHTS

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 the Contractor's use of such Furnished Items in support of other U. S. Government prime contracts.

F. PROVISIONS OF THE NATIONAL AERONAUTICS AND SPACE ADMINISTRATION FEDERAL ACQUISITION REGULATION SUPPLEMENT (NASA FARs)

1. The following NASA FAR Supp clauses apply to this Contract:

- (a) NASA FARs 1852.208-81 RESTRICTIONS ON PRINTING AND DUPLICATING (NOV 2004) (Note 2 applies.)
- (b) NASA FARs 1852.211-70 PACKAGING, HANDLING, AND TRANSPORTATION (SEP 2005) (Note 2 applies.)
- (c) NASA FARs 1852.219-74 USE OF RURAL AREA SMALL BUSINESSES (SEP 1990)
- (d) NASA FARs 1852.219-76 NASA 8 PERCENT GOAL (JUL 1997)
- (e) NASA FARs 1852.225-70 EXPORT LICENSES (FEB 2000)
- (f) NASA FARs 1852.227-19 COMMERCIAL COMPUTER SOFTWARE - RESTRICTED RIGHTS (undated) (Modifies FAR 52.227-19. Note 2 applies.)
- (g) NASA FARs 1852.237-72 ACCESS TO SENSITIVE INFORMATION (JUN 2005)

(h) NASA FARS 1852.237-73 RELEASE OF SENSITIVE INFORMATION (JUN 2005)

(i) NASA FARS 1852.242-73 NASA CONTRACTOR FINANCIAL MANAGEMENT REPORTING (NOV 2004) (Note 2 applies.)

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

(a) NASA FARS 1852.244-70 GEOGRAPHIC PARTICIPATION IN THE AEROSPACE PROGRAM (APR 1985)

3. The following NASA FAR Supp clauses apply as indicated:

(a) NASA FARS 1852.223-70 SAFETY AND HEALTH (APR 2002) (Applicable when any of the conditions in NASA FAR Supp 1823.7001 (a) exist. Note 2 applies to paragraphs (c), (d), (e), (f) and (h). Add "and LOCKHEED MARTIN Procurement Representative" after "Contracting Officer" in paragraph (i). Note 4 applies to paragraph (g)(1).)

(b) NASA FARS 1852.223-71 FREQUENCY AUTHORIZATION (DEC 1988) (Applicable if this Contract requires the development, production, test or operation of a device for which a radio frequency is required. Note 2 applies.)

(c) NASA FARS 1852.227-86 COMMERCIAL COMPUTER SOFTWARE - LICENSING (DEC 1987) (Applicable for the purchase of existing computer software in accordance with FAR 27.405(b)(2). Replaces FAR 52.227-19. Note 6 applies.)

(d) NASA FARS 1852.228-72 CROSS-WAIVER OF LIABILITY FOR SPACE SHUTTLE SERVICES (SEP 1993) (Applicable if the Work is performed in support of "Protected Space Operations" (applicable to the Space Shuttle) as that term is defined in the clause.)

(e) NASA FARS 1852.228-76 CROSS-WAIVER OF LIABILITY FOR SPACE STATION ACTIVITIES (DEC 1994) (Applicable if the Work is performed in support of "Protected Space Operations" (applicable to the Space Station) as that term is defined in the clause.)

(f) NASA FARS 1852.228-78 CROSS-WAIVER OF LIABILITY FOR NASA EXPENDABLE LAUNCH VEHICLE (ELV) LAUNCHES (SEP 1993) (Applicable if the Work is performed in support of agreements described in NASA FAR Supp 18-28.371(a), involving ELV launch services.)

(g) NASA FARS 1852.231-71 DETERMINATION OF COMPENSATION REASONABLENESS (MAR 1994) (Applicable if Contract is a (1) service contract, and (2) cost reimbursable or non-competitive fixed price in excess of \$500,000.)

(h) NASA FARS 1852.237-71 PENSION PORTABILITY (JAN 1997) (Applicable if this Contract is for services and meets the conditions of paragraph (b) of the clause.)

(i) NASA FARS 1852.242-71 TRAVEL OUTSIDE OF THE UNITED STATES (DEC 1988) (Applicable if this Contract requires travel to locations outside of the United States that will be charged direct to the Contract. Substitute "45" days" for "30 days" in the clause. Note 2 applies.)

(j) NASA FARS 1852.242-72 OBSERVANCE OF LEGAL HOLIDAYS (AUG 1992) (Applicable if Work will be performed at a NASA installation.)

(k) NASA FARS 1852.245-72 LIABILITY FOR GOVERNMENT PROPERTY FURNISHED FOR REPAIR OR OTHER SERVICES (MAR 1989) (Note 2 applies. Note 3 applies only to the first two times "Government" appears in paragraph (e).)

(l) NASA FARS 1852.245-73 FINANCIAL REPORTING OF NASA PROPERTY IN THE CUSTODY OF CONTRACTORS (OCT 2003) (Applicable if the Contractor will possess NASA property during the performance of the Contract. Delete paragraph (b). Reports required by paragraph (c) shall be submitted to LOCKHEED MARTIN no later than October 10. Notes 2 and 4 apply to paragraph (c).)

(m) NASA FARS 1852.246-70 MISSION CRITICAL SPACE SYSTEMS PERSONNEL RELIABILITY PROGRAM (MAR 1997) (Applicable where Contractor employees will hold positions designated as critical in accordance with 14 CFR 1214.5.)

(n) NASA FARS 1852.246-73 HUMAN SPACE FLIGHT ITEM (MAR 1997) (Applicable if this Contract is for human space flight hardware or flight related equipment.)

(o) NASA FARS 1852.247-71 PROTECTION OF THE FLORIDA MANATEE (MAR 1989) (Applicable if Contractor is involved in vessel operations, dockside work, and selected disassembly functions within the Kennedy Space Center waterways as defined in the clause.)