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

The FAR and DFARS 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 DFARS clauses referenced below and otherwise in this Contract:

1. "Commercial Item" means a commercial item as defined in FAR 2.101.

2. "Commercially available off-the-shelf (COTS) item" means a COTS 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 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.

**Supplemental Term(s) Added**:

Notes numbers if used from above are the same notes from the LM Corp Docs that are part of the purchase order plus those noted below:

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| --- | --- | --- | --- |
| **Clause #** | **Title** | **Version** | **Notes** |
| 52.203-8  | Cancellation, Rescission, and Recovery of Funds for Illegal or Improper Activity. | Oct-14 | No notes. |
| 52.204-21  | Basic Safeguarding of Covered Contractor Information Systems. | Jun-16 | Applies unless Seller is furnishing commercially available off-the-shelf items or Seller does not have Federal contract information residing in or transiting through its information system. |
| 52.232-32 | Performance-Based Payments. | Jun-12 | Only applies to subcontracts with performance-based payments. Notes 1 and 2 apply. |
| 52.204-23  | Prohibition on Contracting for Hardware, Software, and Services Developed or Provided by Kaspersky Lab and Other Covered | Oct-18 | Note 2 applies. Seller shall provide Lockheed Martin copies of any reports provided under this clause which relate to the performance of this contract. |
| 52.245-1 ALT I | Alternate I – Government Property | Apr-12 | Only applies if Seller is receiving Government Furnished Property or Equipment. |
| 52.245-9 | Use and Charges | Apr-12 | Only applies if Seller is receiving Government Furnished Property. |
| 52.232-17  | Interest. | Nov-14 | Note 1 applies. |
| 52.232-39  | Unenforceability of Unauthorized Obligations. | Sep-13 | Only applies if software or services are being retransferred to the U.S. Government. |
| 52.219-9 | Small Business Subcontracting Plan | Jun-20 | Note 2 applies. This clause does not apply if Seller is a small business concern. |
| 52.228-3 | Workers’ Compensation Insurance | Jul-14 | Applies if Seller will perform work subject to the Defense Base Act 42 U.S.C. 1651 et seq. |
| 252.219-7003 ALT I | Alternate I – Small Business Subcontract Plan | Dec-19 | Applies if FAR 52.219-9 is flowed down and applicable. Does not apply if Seller is a small business concern. |
| 252.203-7004  | Display of Hotline Posters. | Apr-20 | Required unless the subcontract is for a commercial item. |
| 252.211-7007 | Reporting of Government-Furnished Property | Aug-12 | Applies if Seller will be in possession of Government property for the performance of this contract. |
| 252.225-7028  | Exclusionary Policies and Practices of Foreign Governments. | Oct-07 | Required in all subcontracts. |
| 252.225-7995  | (DEVIATION 2017-O0004) Contractor Personnel Performing in the United States Central Command Area of Responsibility. (DEV | Jun-20 | Required in all subcontracts. |
| 252.243-7002  | Requests for Equitable Adjustment. | Feb-13 | Note 1 applies. Required in all subcontracts greater than $150K. |
| 252.243-7999  | (DEVIATION 2020-O0021) Section 3610 Reimbursement. (DEVIATION 2020-O0021) | Feb-21 | Required in all subcontract modifications that involve the reimbursement of paid leave under section 3610 of the CARES Act to affected subcontractors. |
| 252.246-7001  | Warranty of data. | Sep-18 | Notes 2 and 4 apply. The last sentence in paragraph (b) is changed to read as follows: “The warranty period shall extend for three years after completion of delivery of the data to Lockheed Martin, or if the data is delivered to the Government, either by Lockheed Martin or Seller, the warranty period shall extend for three years after delivery to the Government." |
| 252.227-7017 | Identification and Assertion of Use, Release, or Disclosure Restrictions. | Jan-11 | Note 6 applies. In paragraphs (a) and (b) the references to the SBIR data rights clause are deleted. Does not apply if Seller is providing commercial items. |
| 252.225-7027  | Restriction on Contingent Fees for Foreign Military Sales. | Oct-07 | The reference to the clause in paragraph (a) means FAR 52.203-5. The blank in paragraph (b)(1) is completed with "any Government." Subparagraph (b)(2) is deleted. |