Where necessary, to identify the applicable parties under the following clauses, “Contractor” shall mean “Seller,” “Contracting Officer” shall mean “Lockheed Martin Procurement Representative,” “Contract” means this subcontract and “Government” means “Lockheed Martin.” However, the words “Government” and “Contracting Officer” do not change: (1) when a right, act, authorization or obligation can be granted or performed only by the Government or the Prime Contract Contracting Officer or duly authorized representative, including but not limited to (i) audit rights to Seller’s proprietary business records or (ii) any indemnification or limitation of liability obligation, which obligation shall remain with the Government; (2) when title to property is to be transferred directly to the Government, and (3) when the Government is granted ownership or other rights to Seller’s intellectual property or technical data.

**Full Text Clauses**

**Section C Clauses – Descriptions and Specifications**

**WORKWEEK—ALTERNATE I** (Applicable for all purchase orders/subcontracts where work will be performed on a Government installation.)

(a) All or a portion of the effort under this contract will be performed on a Government installation. The normal workweek for Government employees at Naval Information Warfare Systems Command (NAVWARSYSCOM) is a normal workweek at Government site. Work at this Government installation, shall be performed by the contractor within the normal workweek unless differing hours are specified on the individual task orders. Following is a list of holidays observed by the Government:

Name of Holiday Time of Observance

New Year’s Day 1 January

Martin Luther King Jr. Day Third Monday in January

President's Day Third Monday in February

Memorial Day Last Monday in May

Independence Day 4 July

Labor Day First Monday in September

Columbus Day Second Monday in October

Veteran's Day 11 November

Thanksgiving Day Fourth Thursday in November

Christmas Day 25 December

(b) If any of the above holidays occur on a Saturday or a Sunday, then such holiday shall be observed by the Contractor in accordance with the practice as observed by the assigned Government employees at the using activity.

(c) If the Contractor is prevented from performance as the result of an Executive Order or an administrative leave determination applying to the using activity, such time may be charged to the contract as direct cost provided such charges are consistent with the Contractor’s accounting practices.

(d) This contract does not allow for payment of overtime during the normal workweek for employees who are not exempted from the Fair Labor Standards Act unless expressly authorized by the Ordering Officer. Under Federal regulations the payment of overtime is required only when an employee works more than 40 hours in a normal week period.

(e) NOTICE: All Contractor employees who make repeated deliveries to military installations shall obtain the

required employee pass via the Navy Commercial Access Control System (NCACS) in order to gain access to

the facility. Information about NCACS may be found at the following website: <http://www.rapidgate.com/>.

Contractor employees must be able to obtain a NCACS in accordance with base security requirements. Each

employee shall wear the Government issued NCACS badge over the front of the outer clothing. When an

employee leaves the Contractor's employ, the employee's NCACS pass shall be returned to the Contracting Officer's Representative or the base Badge and Pass Office within five (5) calendar days.

Contractors who do not have a NCACS or Common Access Card (CAC) must be issued a one-day pass daily at the Badge and Pass Office. Issuance of a CAC requires the need for physical access to the installation and logical access to government owned computer systems.

Periodically the Government may conduct Anti-Terrorism Force Protection (AT/FP) and/or safety security exercises which may require the Contractor to adjust its work schedule and/or place of performance to accommodate execution of the exercise. The Contractor will be required to work with its Government point of contact to adjust work schedules and/or place of performance in the case of an exercise that causes disruption of normally scheduled work hours, or disruption of access to a government facility. The contract does not allow for payment of work if schedules cannot be adjusted and/or the work cannot be executed remotely (i.e., the contractor's facility or alternate non-impacted location), during an exercise when government facilities are inaccessible.

**Section H Clauses – Special Contract Requirements:**

**Organizational Conflicts of Interest** (Applicable for all purchase orders/subcontracts.)

(a) *Definitions.* As used in this clause —

*Contractor* means a party to a Government contract other than the Government and includes the total contractor organization, including not only the business unit or segment that signs the contract. It also includes all subsidiaries and affiliates.

*Organizational conflict of interest* means a situation in which, with reference to a particular acquisition—

(1) A contractor, or any of its prospective subcontractors, by virtue of its past or present performance of another Government contract, grant, cooperative agreement, or other transaction—

(i) Had access to non-public information that may provide it an unfair advantage in competing for some or all of the proposed effort; or

(ii) Was in a position to set the ground rules, and thereby affect the competition, for the proposed acquisition; or

(2) A contractor or any of its subcontractors—

(i) Will have access to non-public information that may provide it an unfair competitive advantage in a later competition for a Government contract;

(ii) May, from the perspective of a reasonable person with knowledge of the relevant facts, be unable to render impartial advice or judgments to the Government; or

(iii) Will be in a position to influence a future competition, whether intentionally or not, in its own favor.

*Resolve* means to implement an acquisition approach that will enable the Government to acquire the required goods or services while adequately addressing any organizational conflict of interest.

(b) *Notice.* The Contracting Officer has determined that the nature of the work to be performed in the contract resulting from this solicitation is such that it may give rise to organizational conflicts of interest. Applying the principles of FAR subpart 9.5, the contractor shall assess whether there is an organizational conflict of interest associated with the offer it plans to submit. The contractor should inform the Contracting Officer of any potential conflicts of interest, including those involving contracts, grants, cooperative agreements, or other transactions with other Government organizations, in order that the Government may assess whether the conflicts will require resolution.

(c) *Proposal requirements.*

(1) The contractor shall—

(i) (A) Disclose all relevant information regarding any organizational conflicts of interest; or

(B) Represent, to the best of its knowledge and belief, that there will be no organizational conflict of interest; and

(ii) Describe any other work performed on contracts, subcontracts, grants, cooperative agreements, or other transactions within the past five years that is associated with the offer it plans to submit.

(iii) To the extent that either the contractor or the Government identifies any organizational conflicts of interest, the contractor shall explain the actions it intends to use to resolve such conflicts, *e.g.,* by submitting a mitigation plan and/or accepting a limitation on future contracting.

(2) The Contracting Officer has the sole authority to determine whether an organizational conflict of interest exists and to determine whether the organizational conflict of interest has been adequately resolved.

(d) *Mitigation Plan.*  If a contractor submits an organizational conflict of interest mitigation plan that the Contracting Officer approves, the resultant contract will include the Government-approved mitigation plan. The contractor shall notify the Contracting Officer and update the mitigation plan within thirty (30) days of any changes to the legal construct of the contractor organization, subcontractor changes, or significant management or ownership changes. Either the contractor or the Government may propose changes to the mitigation plan. Such changes are subject to the mutual agreement of the parties and will become effective only upon written approval of the revised mitigation plan by the Contracting Officer.

(e) *Compliance.* Compliance with this clause is a material requirement of the contract.

(1) The contractor shall report to the Contracting Officer any noncompliance with this clause or with the mitigation plan, whether by its own personnel or those of the Government or other contractors.

(2) The report shall describe the noncompliance and the actions the Contractor has taken or proposes to take to mitigate and avoid repetition of the noncompliance.

(3) After conducting such further inquiries as may be necessary, the Contracting Officer and the contractor shall agree on appropriate corrective action, if any, or the Contracting Officer will direct corrective action, subject to the terms of this contract.

(f) *Termination for default.* If the contractor was or should have been aware, or becomes aware, of an organizational conflict of interest before or after award of this contract, and does not fully disclose that conflict to the Contracting Officer, the Government may terminate the contract for default.

(g) *Waiver.* The Government reserves the right to waive the requirement to resolve any organizational conflict of interest.

(h) *Subcontracts.* The contractor shall include the substance of this clause, including this paragraph (h), in subcontracts where the work includes or may include tasks related to the organizational conflict of interest. The terms ‘‘contractor’’ and ‘‘Contracting Officer’’ shall be appropriately modified to reflect the change in parties and to preserve the Government’s rights.

(End of clause)

**Limited Release of Contractor Confidential Business Information** (Applicable for all purchase orders/ subcontracts that require the furnishing of information.)

(a) Definition.

“Confidential Business Information,” (Information) as used in this text, is defined as all forms and types of financial, business, economic or other types of information other than technical data or computer software/computer software documentation, whether tangible or intangible, and whether or how stored, compiled, or memorialized physically, electronically, graphically, photographically, or in writing if —

(1) the owner thereof has taken reasonable measures to keep such Information secret, and

(2) the Information derives independent economic value, actual or potential from not being generally known to, and not being readily ascertainable through proper means by, the public. Information does not include technical data, as that term is defined in DFARS 252.227-7013(a)(14), 252.227-7015(a)(4), and 252.227-7018(a)(19). Similarly, Information does not include computer software/computer software documentation, as those terms are defined in DFARS 252.227-7014(a)(4) and 252.227-7018(a)(4).

(b) The Naval Warfare Systems Command (NAVWAR) may release to individuals employed by NAVWAR support contractors and their subcontractors Information submitted by the contractor or its subcontractors pursuant to the provisions of this contract. Information that would ordinarily be entitled to confidential treatment may be included in the Information released to these individuals. Accordingly, by submission of a proposal or execution of this contract, the offeror or contractor and its subcontractors consent to a limited release of its Information, but only for purposes as described in paragraph (c) of this text.

(c) Circumstances where NAVWAR may release the contractor’s or subcontractors’ Information include the following:

(1) To other NAVWAR contractors and subcontractors, and their employees tasked with assisting NAVWAR in handling and processing Information and documents in the administration of NAVWAR contracts, such as file room management and contract closeout; and,

(2) To NAVWAR contractors and subcontractors, and their employees tasked with assisting NAVWAR in accounting support services, including access to cost-reimbursement vouchers.

(d) NAVWAR recognizes its obligation to protect the contractor and its subcontractors from competitive harm that could result from the release of such Information. NAVWAR will permit the limited release of Information under paragraphs (c)(1) and (c)(2) only under the following conditions:

(1) NAVWAR determines that access is required by other NAVWAR contractors and their subcontractors to perform the tasks described in paragraphs (c)(1) and (c)(2);

(2) Access to Information is restricted to individuals with a bona fide need to possess;

(3) Contractors and their subcontractors having access to Information have agreed under their contract or a separate corporate non-disclosure agreement to provide the same level of protection to the Information that would be provided by NAVWAR employees. Such contract terms or separate corporate non-disclosure agreement shall require the contractors and subcontractors to train their employees on how to properly handle the Information to which they will have access, and to have their employees sign company non disclosure agreements certifying that they understand the sensitive nature of the Information and that unauthorized use of the Information could expose their company to significant liability. Copies of such employee non disclosure agreements shall be provided to the Government;

(4) NAVWAR contractors and their subcontractors performing the tasks described in paragraphs (c)(1) or (c)(2) have agreed under their contract or a separate non-disclosure agreement to not use the Information for any purpose other than performing the tasks described in paragraphs (c)(1) and (c)(2); and,

(5) Before releasing the Information to a non-Government person to perform the tasks described in paragraphs (c)(1) and (c)(2), NAVWAR shall provide the contractor a list of the company names to which access is being granted, along with a Point of Contact for those entities.

(e) NAVWAR’s responsibilities under the Freedom of Information Act are not affected by this text.

(f) The contractor agrees to include, and require inclusion of, this text in all subcontracts at any tier that requires the furnishing of Information.

(End of text)

# FAR Clauses

**52.203-7, Anti-Kickback Procedures (May 2014)**

**52.204-25, Prohibition on Contracting for Certain Telecommunications and Video Surveillance Services or Equipment (Aug 2019)** (Applicable for all purchase orders/subcontracts, including purchase orders/subcontracts for commercial items. "Government in paragraph (b)means "Government or Lockheed Martin." Reports required by this clause will be made to Lockheed Martin.)

**52.215-13, Subcontract Certified Cost or Pricing Data--Modifications (DEVIATION) (May 2018)** (The version of the clause in DoD Class Deviation [2018-O0015](https://www.acq.osd.mil/dpap/policy/policyvault/USA001197-18-DPAP.pdf) applies in lieu of the standard FAR version of the clause.)

**52.225-5, Trade Agreements (Oct 2019)**

**52.229-8, Taxes – Foreign Cost Reimbursement Contracts (Mar 1990)** (Applicable if this is a cost reimbursement purchase order/subcontract where the work will be performed wholly or partly in a foreign country. In paragraph (b), "Contracting Officer" and "Government of the United States" mean "Lockheed Martin."  The blanks in paragraph (a) are completed with "the foreign country in which this purchase order/subcontract is performed.")

**52.230-2, Cost Accounting Standards (DEVIATION) (May 2018)** (The version of the clause in DoD Class Deviation [2018-O0015](https://www.acq.osd.mil/dpap/policy/policyvault/USA001197-18-DPAP.pdf) applies in lieu of the standard FAR version of the clause.)

**52.232-17, Interest (May 2014)** (Applicable if this purchase order/subcontract contains any clauses which refers to an Interest clause. “Government” means “Lockheed Martin.”)

**52.232-39, Unenforceability of Unauthorized Obligations (Jun 2013)** (Applicable for all purchase orders/ subcontracts, including purchase orders/subcontracts for commercial items, where software or services will be retransferred to the Government.)

**52.243-1, Changes – Fixed Price (Aug 1987) and Alternate I (Apr 1984)**

**52.243-1, Changes – Fixed Price (Aug 1987) and Alternate II (Apr 1984)**

**52.243-1, Changes – Fixed Price (Aug 1987) and Alternate V (Apr 1984)** (Alternate V will apply if this purchase order/subcontract is for research and development.)

**52.243-2, Changes – Cost Reimbursement (Aug 1987) and Alternate I (Apr 1984)** (Alternate I will apply if this purchase order/subcontract is for services and no supplies are to be furnished.)

**52.243-2, Changes – Cost Reimbursement (Aug 1987) and Alternate II (Apr 1984)** (Alternate II will apply if this purchase order/subcontract is for services and supplies.)

**52.243-2, Changes – Cost Reimbursement (Aug 1987) and Alternate V (Apr 1984)** (Alternate V will apply if this purchase order/subcontract is for research and development.)

**52.244-6, Subcontracts for Commercial Items (Aug 2019)**

**52.245-9, Use and Charges (Aug 2012)** (Applicable for all purchase orders/subcontracts, including purchase orders/subcontracts for commercial items, where FAR 52.245-1 is inserted. Communications with the Government under this clause will be made through Lockheed Martin.)

**52.247-68, Report of Shipment (REPSHIP) (Feb 2006)** (Applicable if Seller will be shipping supplies directly to the Government.)

# DFARS Clauses

**252.203-7003, Agency Office of the Inspector General (Aug 2019)**

**252.203-7004, Display of Hotline Posters (Aug 2019)**

**252.204-7000, Disclosure of Information (Oct 2016)** (Applicable for all purchase orders/subcontracts. In paragraph (b) "Contracting Officer" means "Lockheed Martin" and "10 days" means "20 days.")

**252.211-7007, Reporting of Government-Furnished Property (Aug 2012)** (Applicable if Seller will be in possession of Government property for the performance of this purchase order/subcontract.)

**252.211-7008, Use of Government-Assigned Serial Numbers (Sep 2010)** (Applicable for purchase orders/ subcontracts, including purchase orders/subcontracts for commercial items, where the seller will be in the possession of Government property for the performance of the purchase order/subcontract. If Lockheed Martin will assume responsibility for marking the property, the clause may be excluded from the purchase order/subcontract.)

**252.216-7004, Award Fee Reduction or Denial for Jeopardizing the Health or Safety of Government Personnel (Sep 2011)** (Seller shall reimburse Lockheed Martin for any reduction in fees under the prime contract to the extent Seller's acts or omissions are responsible for covered incidents pursuant to this clause.)

**252.219-7004, Small Business Subcontracting Plan (Test Program) (May 2019)** (Applicable if Seller participates in the DoD test program described in DFARS 219.702-70.)

**252.223-7006, Prohibition on Storage and Disposal of Toxic and Hazardous Materials--Basic (Sep 2014)** (Applicable for all purchase orders/subcontracts that require, may require, or permit a subcontractor access to a DoD installation. "Government" means "Lockheed Martin and Government.")

**252.225-7021, Trade Agreements—Basic (Sep 2019)**

**252.226-7001, Utilization of Indian Organizations and Indian-Owned Economic Enterprises, and Native Hawaiian Small Business Concerns (Apr 2019)**

**252.229-7003, Tax Exemptions (Italy) (Mar 2012)** (Applicable for all purchase orders/subcontracts where work will be performed in Italy.)

**252.234-7002, Earned Value Management System (DEVIATION) (Sep 2015)** (The version of the clause in DoD Class Deviation [2015-O0017](https://www.acq.osd.mil/dpap/policy/policyvault/USA005138-15-DPAP.pdf) applies in lieu of the standard DFARS version of the clause. Applicable if Seller is listed in paragraph (k) of this clause in the prime contract. "Government" means "Lockheed Martin and Government." Paragraphs (i) and (j) are deleted.)

**252.239-7001, Information Assurance Contractor Training and Certification (Jan 2008)** (Applicable if Seller will be accessing DoD Information Systems.)

**252.243-7002, Requests for Equitable Adjustment (Dec 2012)** (Applicable for all purchase orders/subcontracts over $150,000. “Government” means “Lockheed Martin.”)

**252.245-7001, Tagging, Labeling, and Marking of Government-Furnished Property (Apr 2012)** (Applicable for purchase orders/subcontracts, including purchase orders/subcontracts for commercial items, where the items furnished by Seller will be subject to serialized tracking.)

**252.245-7004, Reporting, Reutilization, and Disposal (Dec 2017)** (Applicable for all purchase orders/ subcontracts, including purchase orders/subcontracts for commercial items, containing the clause at 52.245-1, Government Property. "Contracting Officer" means “Lockheed Martin.”)

**252.246-7001, Warranty of Data (Mar 2014)** (Applicable if Seller will be delivering data. "Government" means "Lockheed Martin or the Government." "Contracting Officer" means "Lockheed Martin." 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.")

**252.246-7001, Warranty of Data (Mar 2014) and Alternate II (Mar 2014)** (Alternate II will also apply if this is a fixed-price purchase order/subcontract.)

**252.246-7008, Sources of Electronic Parts (May 2018)**

**252.247-7023, Transportation of Supplies by Sea (Feb 2019)**

**252.249-7002, Notification of Anticipated Contract Termination or Reduction (May 2019)**