

**GOVERNMENT PROVISIONS
APPLICABLE TO
INTEGRATED SPACE COMMAND AND CONTROL (ISC2) PROGRAM
PRIME CONTRACT No: 312074**

GOVERNMENT CONTRACT REQUIREMENTS

If Form GP1 is applicable to this procurement, this Attachment constitutes the Government clauses contemplated by Article 29. If Form GP2 is applicable to this procurement, this Attachment constitutes the Government clauses contemplated by Article 28. If Form GP3 is applicable to this procurement, this Attachment constitutes the Government clauses contemplated by Article 41. If Form GP4 is applicable to this procurement, this Attachment constitutes the Government clauses contemplated by Article 31.

1. The following contract clauses are incorporated by reference from the Federal Acquisition Regulation and apply to the extent indicated. In all of the following clauses, "Contractor" and "Offeror" mean Seller. Unless otherwise provided, the clauses are those in effect as of the date of this subcontract.

52.203-6 Restrictions on Subcontractor Sales to the Government (Jul 1995 Version). This clause applies only if this subcontract exceeds \$100,000.

52.203-12 Limitation on Payments to Influence Certain Federal Transactions (Jun 1997 Version). This clause applies only if this subcontract exceeds \$100,000. Paragraph (c)(4) is modified to read as follows: "(c)(4) Seller will promptly submit any disclosure required (with written notice to Boeing) directly to the PCO for the prime contract. Boeing will identify the cognizant Government PCO at Seller's request. Each subcontractor certification will be retained in the subcontract file of the awarding subcontractor.

52.204-2 Security Requirements (Aug 1996 Version). "Changes clause" means the changes clause of this subcontract. This clause applies only if access to classified material is required.

52.211-5 Material Requirements (Oct 1997 Version). Any notice will be given to Buyer rather than the Contracting Officer.

52.215-2 Audit and Records-Negotiation (Jun 1999 Version). This clause applies only if this contract exceeds the simplified acquisition threshold and (i) is cost-reimbursement, incentive, time-and-materials, labor-hour, or price-redeterminable type or any combination of these types: (ii) Seller was required to provide cost or pricing data, or (iii) Seller is required to furnish reports as discussed in paragraph (e) of the referenced clause. If the subcontract is a cost-type contract with an educational institution or other non-profit organization, add ALT II (Apr 1998).

52.215-10 Price Reduction for Defective Cost or Pricing Data (Oct 1997 Version). This clause applies only if this subcontract exceeds \$500,000 and certified cost and pricing data is required. In subdivision (3) of paragraph (a), insert: "of this subcontract" after "price or cost". In paragraph (c), "Contracting Officer" shall mean "Contracting Officer or Buyer". In paragraphs (c)(1), (c)(1)(ii) and (c)(2)(i), "Contracting Officer" shall mean "Contracting Officer or Buyer". In paragraph (c)(2)(i)(A), delete "to the Contracting Officer". In paragraph (C)(2)(ii)(B), "Government" shall mean "Government or Buyer". Rights and obligations under this clause shall survive completion of the work and final payment under this subcontract.

52.215-11 Price Reduction for Defective Cost or Pricing Data - Modifications (Oct 1997 Version). This clause applies only if original order was competitive, and Certified Cost and Pricing Data is required for the modification, and if this contract exceeds \$500,000. "Contracting Officer:" shall mean "Contracting Officer or Buyer". In paragraph (d)(2)(i)(A), delete "to the Contracting Officer". In paragraph (d)(2)(ii)(B), "Government" means "Government or Buyer". In paragraph (e), "United States" shall mean "United States or Buyer". Rights and obligations under this clause shall survive completion of the work and final payment under this subcontract.

52.215-12 Subcontractor Cost or Pricing Data (Oct 1997 Version). The certificate required by paragraph (b) is that set forth in FAR 15.804-4, substituting Buyer's name for "Contracting Officer". This clause applies only if this contract exceeds \$500,000.

52.215-13 Subcontractor Cost or Pricing Data - Modifications (Oct 1997 Version). This clause applies only if this subcontract exceeds \$500,000, and if the original order was competitive and the certificate required by paragraph (b) is that set forth in FAR 15.804-4. Delete "Contracting Officer" and insert "Buyer."

52.215-14 Integrity of Unit Prices (Oct 1997 Version) (excluding subparagraph (b) of this clause). This clause applies except for subcontracts at or below the simplified acquisition threshold (as defined in FAR Part 2); construction or architect-engineer services under FAR Part 36; utility services under FAR Part 41; services where supplies are not required; commercial items; and petroleum products.

52.215-15 Pension Adjustments and Asset Reversions (Dec 1998 Version). This clause applies to this subcontract if the contract type is *other than* firm-fixed-price or if certified cost or pricing data was provided, as required by FAR 15.408(g). Any communication/notice required will be given to Buyer rather than the Contracting Officer.

52.215-18 Reversion or Adjustment of Plans for Post-retirement Benefits (PRB) Other Than Pensions (Oct 1997 Version). This clause applies to this subcontract if the contract type is *other than* firm-fixed-price or if certified cost or pricing data was provided, as required by FAR 15.408(j). Any communication/notice required will be given to Buyer rather than the Contracting Officer.

52.215-19 Notification of Ownership Changes (Oct 1997 Version). This clause applies to this subcontract if the contract type is *other than* firm-fixed-price or if certified cost or pricing data was provided, as required by FAR 15.408(k). Any communication/notice required will be given to Buyer rather than the Contracting Officer.

52.215-20 Requirements for Cost or Pricing Data or Information Other Than Cost or Pricing Data (Oct 1997 Version). The term "Contracting Officer" shall mean Buyer's Purchasing Representative.

52.215-21 Requirements for Cost or Pricing Data or Information Other Than Cost or Pricing Data - Modifications (Oct 1997 Version). This clause applies only if this subcontract exceeds \$500,000. The term "Contracting Officer" shall mean Buyer's Purchasing Representative.

52.219-8 Utilization of Small Business Concerns (Oct 1999 Version).

52.219-9 Small Business Subcontracting Plan (Jan 1999 Version). In paragraph (c), "Contracting Officer" shall mean Buyer. This clause applies only if this contract exceeds \$500,000, and Seller is not a small business concern.

52.222-4 Contract Work Hours and Safety Standards Act — Overtime Compensation (Jul 1995 Version). This clause applies only if this contract exceeds \$100,000. Buyer may withhold or recover from Seller the amount of any sums the Contracting Officer withholds or recovers from Buyer because of liabilities of Seller or its subcontractors under this clause.

52.222-21 Prohibition of Segregated Facilities (Feb 1999 Version).

52.222-26 Equal Opportunity (Feb 1999 Version). This clause applies only if Seller has received or is expected to receive nonexempt Federal contracts/subcontracts that have an aggregate value in excess of \$10,000 during any 12-month period, including the 12 months preceding the award of this subcontract. If this clause applies to this subcontract, only subparagraphs (b)(1) *through* (b)(11) shall apply.

52.222-35 Affirmative Action for Special Disabled and Vietnam Era Veterans (Apr 1998 Version). This clause applies only if this subcontract exceeds \$10,000.

52.222-36 Affirmative Action for Handicapped Workers (Jun 1998 Version). This clause applies only if this subcontract exceeds \$10,000.

52.222-37 Employment Reports on Special Disabled Veterans and Veterans of the Viet Nam Era (Jan 1999 Version). This clause applies only if this subcontract exceeds \$10,000.

52.223-3 Hazardous Material Identification and Material Safety Data (Jan 1997 Version). This clause applies only if Seller delivers hazardous material under this contract.

52.223-7 Notice of Radioactive Materials (Jan 1997 Version). The period for providing notice to Buyer is 60 days; therefore in paragraph (1) insert "sixty (60)" before the word "days".

52.223-14 Toxic Chemical Release Reporting (Oct 1996 Version). This clause applies, excluding subparagraph (e), only if this subcontract exceeds \$100,000.

52.225-9 Buy American Act – Trade Agreements - Balance of Payments Program (Jan 1996 Version). Applicable only if the subcontract contains other than domestic components

52.225-10 Duty Free Entry (Apr 1984 Version). Applicable only if supplies for the subcontract will be imported into the Customs Territory of the United States. In subparagraph (b) (1), the notice provision shall be "40 days". Any communication/notice required will be given to Buyer rather than the Contracting Officer.

52.225-11 Restrictions on Certain Foreign Purchases (Aug 1998 Version). Any communication/notice required will be given to Buyer rather than the Contracting Officer.

52.227-1 Authorization and Consent (Jul 1995 Version).

52.227-2 Notice and Assistance Regarding Patent and Copyright Infringement (Aug 1996 Version). This clause applies only if this subcontract exceeds the simplified acquisition threshold. A copy of each notice sent to the Government will be sent to Buyer. "Contracting Officer" shall mean "Buyer".

52.227-9 Refund of Royalties (Apr 1984 Version). This clause applies only if the subcontract involves royalty payments exceeding \$250.

52.227-10 Filing of Patent Applications — Classified Subject Matter (Apr 1984 Version). This clause applies only if the subcontract may involve work or any patent application covering classified subject matter.

52.227-11 Patent Rights - Retention by the Contractor (Short Form) (Jun 1997 Version). This clause only applies if this subcontract is for experimental, developmental, or research work and Seller is a small business or a domestic nonprofit organization. Reports required by this clause shall be submitted to Buyer's procurement representative.

52.227-12 Patent Rights - Retention by the Contractor (Long Form) (Jan 1997 Version). This clause applies only if this subcontract is for experimental, developmental, or research work and Seller is a large business. Reports required by this clause shall be submitted to Buyer's procurement representative.

52.227-14 Rights in Data — General (Jun 1987 Version). This clause applies only if data will be produced, furnished or acquired under this subcontract. This clause does not apply if this contract is placed under a Department of Defense contract.

52.228-4 Worker's Compensation and War-Hazard Insurance Overseas (Apr 1984 Version).

52.228-5 Insurance - Work on a Government Installation (Jan 1997 Version). This clause applies only if work under this subcontract will be performed on Government installation. If the clause applies, Seller shall provide and maintain insurance as set forth in this subcontract.

52.229-10 State of New Mexico Gross Receipts and Compensating Tax (Oct 1988 Version). This clause applies only if this subcontract (1) is for services to be performed in whole or in part in the State of New Mexico; (2) is a cost-reimbursement contract, *and* (3) directs or authorizes Seller to acquire tangible personal property as a direct cost under a Government prime contract and title to such property passes directly to and vests in the United States Government upon delivery of the property by the subcontractor. Insert "*United States Department of the Air Force*" as appropriate agency in the blanks.

Note: This clause applies only to the following SLIN's: 0100 *through* 0500, 0200, 0300, 0402, and 0403.

52.230-2 Cost Accounting Standards (Apr 1998 Version). This clause applies, *excluding paragraph (b)*, if the subcontract value exceeds \$500,000. Reference to CAS in this subcontract shall mean Full CAS Coverage.

52.230-3 Disclosure and Consistency of Cost Accounting Practices (Apr 1998 Version). This clause applies, *excluding paragraph (b)*, if the subcontract value exceeds \$500,000. Reference to CAS in this subcontract shall mean Modified CAS Coverage. In paragraph (c), reference to "Government" shall mean the United States Government.

52.230-6 Administration of Cost Accounting Standards (Nov 1999 Version). Insert the words "*Buyer and the*" before "Contracting Officer" in paragraph (e). This clause applies if either FAR 52.230-2 or FAR 52.230-3 apply to this subcontract.

52.234-1 Industrial Resources Developed Under Defense Production Act Title III (Dec 1994 Version). Replace "Buyer" for "Contracting Officer" and "ACO" throughout this clause.

52.237-2 Protection of Government Buildings, Equipment, and Vegetation (Apr 1984 Version). This clause applies only if work will be performed on a military installation. "Contracting Officer" shall mean "Buyer".

52.242-13 Bankruptcy (Jul 1995 Version). Replace "Buyer" for "Contracting Officer" and "ACO" throughout this clause.

52.242-15 Stop Work Order (Aug 1989 Version) with ALT I (Apr 1984). Change "90 days" and "30 days" to "100 days" and "20 days" respectively. The terms "Contracting Officer" and "Government" shall mean "Buyer".

52.244-6 Subcontracts for Commercial Items and Commercial Components (Oct 1998 Version).

52.245-18 Special Test Equipment (Feb 1993 Version). This clause applies if the subcontract involves the acquisition or fabrication of Special Test Equipment. Change "30 days" to "45 days" in paragraph (b) and (c).

52.247-63 Preference for U.S.-Flag Air Carriers (Jan 1997 Version). This clause applies only if this subcontract involves international air transportation.

52.247-64 Preference for Privately Owned U.S.-Flag Commercial Vessels (Jun 1997 Version). This clause applies only if this subcontract may involve ocean transportation of supplies subject to the Cargo Preference Act of 1954, and it exceeds the threshold for simplified acquisition of \$100,000.

52.248-1 Value Engineering (Nov 1999 Version). The term "Contracting Officer" means "Buyer". This clause, *excluding subparagraph (f)*, applies only if this subcontract is for \$100,000 or more. If Value Engineering Change Proposal is accepted by the Government, Seller's share will be 50% of the instant, concurrent and future contract net acquisition savings and collateral savings that Buyer receives from the Government. Seller's negotiated share of the net acquisition savings and collateral savings shall not reduce the Government's share of concurrent or future savings or collateral savings. Buyer's payments to Seller under this clause are conditioned upon Buyer's receipt of authorization for such payments from the Government.

2. Department of Defense Contracts Clauses. If this subcontract is placed under a *Department of Defense* prime contract, the following clauses are incorporated by reference from the Department of Defense Federal Acquisition Regulation Supplement (DFARS) and apply to the extent indicated. In all of the following clauses, "Contractor" and "Offeror" mean Seller except as otherwise noted. Unless otherwise provided, the clauses are those in effect as of the date of this subcontract.

252.203-7001 Prohibition on Persons Convicted of Fraud or Other Defense-Contract Related Felonies (Mar 1999 Version). This clause, excluding paragraph (g), applies only if this subcontract exceeds the FAR Part 13 simplified acquisition threshold of \$100,000 and does not apply to the purchase of commercial items or commercial components. "Contractor" and "contract" are not changed in paragraphs (a) and (b). In paragraph (e), "Government" shall mean "Government" or "Buyer". In paragraph (f), insert the words "through the Buyer" after "Contracting Officer". Paragraph (g) is deleted and "Contracting Officer" shall mean "Contracting Officer".

252.204-7000 Disclosure of Information (Dec 1991 Version). Seller will submit requests for authorization to release through Buyer.

252.209-7000 Acquisition From Subcontractors Subject to On-site Inspection Under the Intermediate-Range Nuclear Forces Treaty (Nov 1995 Version). This clause applies only if this subcontract exceeds the FAR Part 13 simplified acquisition threshold of \$100,000, and does not apply to the purchase of commercial items or commercial components.

252.211-7000 Acquisition Streamlining (Dec 1991 Version). This clause applies only if this contract exceeds \$1 million.

252.223-7001 Hazard Warning Labels (Dec 1991 Version). This clause applies only if Seller delivers hazardous material under this contract.

252.223-7002 Safety Precautions for Ammunition and Explosives (May 1994 Version). This clause applies only if Seller delivers ammunition or explosives under this contract.

252.223-7007 Safeguarding Sensitive Conventional Arms, Ammunition, and Explosives (Sep 1999 Version).

252.225-7009 Duty-free Entry - Qualifying Country Supplies (End Products and Components) (March 1998 Version).

252.225-7010 Duty-free Entry - Additional Provisions (March 1998 Version). This clause applies in addition to FAR 52.225-10.

252.225-7014, & Alternate I, Preference for Domestic Specialty Metals (Mar 1998 Version).

252.225-7016 Restriction on Acquisition of Ball and Roller Bearings (Aug 1998 Version). This clause does not apply to the purchase of commercial items other than ball or roller bearings or to items which contain no ball or roller bearings.

252.225-7025 Restriction on Acquisition of Forgings (Jun 1997 Version).

252.225-7026 Reporting of Contract Performance Outside of the United States (Mar 1998 Version) (Delete paragraph (c)). This clause applies only if the contract exceeds \$500,000 and is not for commercial items, construction, ores, natural gases, utilities, petroleum products and crudes, timber (logs), or subsistence. (A/Rev. A)

252.225-7032 Waiver of United Kingdom Levies (Oct 1992 Version). This clause applies if this contract is over \$1,000,000 and is with a United Kingdom firm.

252.225-7043 Antiterrorism/Force Protection for Defense Contractors Outside the United States (Jun 1998 Version). Applies were Seller will be performing or traveling outside the U.S. under this subcontract.

252.227-7013 Rights in Technical Data - Noncommercial Items (Nov 1995 Version). This clause applies only if the delivery of data is required for noncommercial items under this contract.

252.227-7014 Rights in Noncommercial Computer Software and Noncommercial Computer Software Documentation (Jun 1995 Version). This clause applies only if the delivery of noncommercial computer software or noncommercial computer documentation may be originated, developed or delivered under this contract.

252.227-7016 Rights in Bid or Proposal Information (Jun 1995 Version).

252.227-7019 Validation of Asserted Restrictions - Computer Software (Jun 1995 Version). This clause applies only if computer software may be originated, developed, or delivered under this contract.

252.227-7025 Limitation On the Use or Disclosure of Government-Furnished Information Marked With Restrictive Legends (Jun 1995 Version). (For subparagraph (c)(1) insert "and Boeing" after Government) (A/Rev. A)

252.227-7026 Deferred Delivery of Technical Data or Computer Software (Apr 1988 Version). This clause applies only if the delivery of data is required or if computer software may be originated, developed or delivered under this contract.

252.227-7027 Deferred Ordering of Technical Data or Computer Software (Apr 1988 Version). This clause applies only if technical data or computer software may be generated as part of the performance of this contract.

252-227-7028 Technical Data or Computer Software Previously Delivered to the Government (Jun 1995 Version) (In this clause, the term "contract" and "subcontract" shall not change in meaning.) (A/Rev. A)

252.227-7030 Technical Data — Withholding of Payment. "Government" and "Contracting Officer" mean Buyer (Oct 1988 Version). This clause applies only if the delivery of data is required by this contract.

252.227-7036 Declaration of Technical Data Conformity (Jan 1997 Version). This clause applies only if the delivery of data is required by this subcontract.

252.227-7037 Validation of Restrictive Markings on Technical Data (Nov 1995 Version). This clause applies only if the delivery of data is required by this contract.

252.228-7005 Accident Reporting and Investigation Involving Aircraft, Missiles, and Space Launch Vehicles (Dec 1991 Version).

252.234-7001 Earned Value Management System (Mar 1998 Version). This clause is applicable only if this contract states that the Earned Value Management System criteria applies to Seller.

252.235-7003 Frequency Authorization (Dec 1991 Version). This clause applies only if this contract requires the development, production, construction, testing, or operation of a device for which a radio frequency authorization is required.

252.245-7001 Reports of Government Property (May 1994 Version). Applicable if Government Property will be provided or acquired under this subcontract. Seller shall submit its required reports to Buyer no later than September 19, notwithstanding anything to the contrary in this clause.

252.247-7023 Transportation of Supplies by Sea (Nov 1995 Version). (Substitute the DFARS clause for the FAR clause 52.247-64 in all Subcontracts for ocean transportation of supplies. In paragraph (f) delete the reference to the "Prompt Payment" clause.

252.247-7024 Notification of Transportation of Supplies by Sea (Mar 2000 Version). "Contracting Officer" and, in the first sentence of paragraph (a), "Contractor" shall mean Buyer. This clause does not apply to the procurement of commercial items or commercial components.

252.249-7002 Notification of Anticipated Contract Termination or Reduction (Dec 1996 Version). This clause applies only if this contract is for \$500,000 or more. In paragraph (c), "two weeks" is changed to "10 days".

3. The following Air Force FAR Supplement clauses are applicable as indicated:

5352.223-9000 Elimination of Use of Class I Ozone Depleting Substances (ODS) (MAY 96 Version).

5352.223-9001 Health and Safety on Government Installations (JUN 97) (Applies only if work will be performed on a Government installation.)

4. If goods or services being procured under this contract are for commercial items and Typing Note O156, "Use of Commercial Items or Services," is included in the solicitation for this subcontract, the Government clauses in Sections 1, 2 and 3 above are deleted and the following FAR/DFARS clauses are inserted in lieu thereof:

52.219-8 Utilization of Small Business Concerns (Oct 2000 Version). Include in all subcontracts that offer further subcontracting opportunities. If a subcontract (except subcontracts to small business concerns) exceeds \$500,000 (\$1,000,000 for construction of any public facility), the Seller and any lower tier subcontractor must include 52.219-8 in lower tier subcontracts that offer subcontracting opportunities.

52.219-9 Small Business Subcontracting Plan (Jan 2002 Version). In paragraph (c), "Contracting Officer" shall mean Buyer. This clause applies only if this contract exceeds \$500,000. and Seller is not a small business concern.

52.222-26 Equal Opportunity (subparagraph (b)(1) through (11)) (Apr 2002 Version).

52.222-35 Affirmative Action for Special Disabled and Vietnam Era Veterans (Apr 1998 Version). This clause applies only if this contract exceeds \$10,000.

52.222-36 Affirmative Action for Handicapped Workers (Jun 1998 Version). This clause applies only if this contract exceeds \$2,500.

252.225-7014, Alternate I, Preference for Domestic Specialty Metals (Mar 1998 Version).

252.247-7023 Transportation of Supplies by Sea (Mar 2000 Version). This clause applies only if this contract exceeds the Simplified Acquisition Threshold in FAR Part 13. In paragraph (c), "45 days" is changed to "60 days".

252.247-7024 Notification of Transportation of Supplies by Sea (Nov 1995 Version). "Contracting Officer" and, in the first sentence of paragraph (a), "Contractor" shall mean Buyer. This clause does not apply to the procurement of commercial items or commercial components.

5. The following prime contract special provisions apply to this purchase order:

DEFENSE PRIORITY RATING.

If a defense priority rating is identified on the face of this contract, this is a rated order certified for national defense use and the Seller shall follow all the requirements of the Defense Priorities and Allocations Systems Regulation (15 CFR Part 700), including accepting or rejecting this contract in writing within fifteen (15) working days after receipt of DO rated or ten (10) days after receipt if DX rated. If rejected, the reason(s) for such rejection shall be included in the notice to the Buyer.

TRUTH IN NEGOTIATIONS ACT. (Applicable if certified cost or pricing data was provided.)

Seller shall comply with the provisions of FAR 52.215-10 and 52.215-12 which are incorporated herein by reference to the extent such clauses are or become applicable to this contract. In the absence of other instructions, Seller shall submit cost or pricing data for changes which exceed the established threshold consistent with the cost or pricing data instructions applicable to the proposal for this contract. Seller shall reimburse the Buyer any amount by which this contract is determined by the Government to have been overpriced because of Seller's or Seller's subcontractor's failure to comply with such provisions plus any interest, fines or other penalties imposed upon the Buyer as a result of the Seller's or the Seller's subcontractor's defective pricing.

TRUTH IN NEGOTIATIONS ACT - MODIFICATIONS. (Applies if certified cost or pricing data was not provided.)

Seller shall comply with the provisions of FAR 52.215-11 and 52.215-13 which are incorporated herein by reference to the extent such clauses are or become applicable to this contract. In the absence of other instructions, Seller shall submit cost or pricing data for changes which exceed the established threshold consistent with the cost or pricing data instructions applicable to the proposal for this contract. Seller shall reimburse the Buyer any amount by which this contract is determined by the Government to have been overpriced because of Seller's or Seller's subcontractor's failure to comply with such provisions plus any interest, fines or other penalties imposed upon the Buyer as a result of the Seller's or the Seller's subcontractor's defective pricing.

SPECIAL CONTRACT PROVISIONS:

1. ISC2 Program Management/Indemnification

- 1.1 The VLCS (Vendor Labor Claiming System) is required for the ISC2 Execution Phase. All personnel, including personnel not located at LM-MS facilities, who are working on the ISC2 Program, must record timecards weekly in the VLCS system. Those personnel not located at a LM-MS facility will provide their weekly labor hour data to their company's designated person at LM-MS in Colorado Springs to be recorded in VLCS. Each Seller will identify a focal point person in Colorado Springs, who will have the responsibility for timecard approvals and submission to LM-MS. Sellers must also notify LM-MS of any rate changes within thirty (30) days of the change.
- 1.2 Sellers shall adhere to the ISC2 Master Evolution Plan (IMEP). Sellers should keep in mind that the IMEP is a dynamic Document. A copy of the IMPE may be found on the ISC2 EDAMS website.
- 1.4 Security Information Protection Program (SIPP) Electronic Account Access is acquired through completion of the Export Control Survey. The collection of this data is necessary to assure and promote Lockheed Martin Corporation's compliance with export control laws and other contractual and legal requirements relating to release and distribution of sensitive or export controlled information. In order to obtain or continue your Lockheed Martin Electronic Account Access privileges, each team member must complete this survey upon contract award.
- 1.5 The Seller agrees to indemnify Buyer for any amounts required to be paid to the United States government by virtue of the Seller's violation of Public Law 100-679 (see FAR 52.203-10). This applies to Subcontracts over \$50,000 or Subcontract modifications over \$50,000.

2. INFORMATION SYSTEM SECURITY

2.1 POINT OF RESPONSIBILITY

The seller shall designate an individual as the principal responsible for all aspects of implementing and maintaining the required protection measures and procedures. This individual shall maintain necessary records, review compliance, and report to buyer immediately any breach or non-compliance with the protection requirements.

2.2 AUTHORIZED USERS

The seller shall advise buyer in writing of seller's personnel assigned to the project who have need to access the system and to receive project data. Changes in assignment or authorization shall be promptly brought to buyer's attention. No persons other than those designated shall have access to the terminals, user identification, passwords or project data.

2.3 SYSTEM ACCESS

Access to the terminals and to the development system provided by buyer will be controlled and monitored as defined in the following subparagraphs.

2.4 PROJECT SECURITY

The seller shall provide protection for all work related to this project. The terminals, printers and all project data shall be adequately protected and locked during non-working hours and when not occupied by an authorized project team member. Access to project data and equipment shall be limited to authorized users.

2.5 SYSTEM USER IDENTIFICATION

Each authorized system user will be assigned a unique user identification and access password for his or her specific use. Accesses to buyer's internal systems are controlled by unique user identification and access passwords. Seller will be required to comply with 1) Existing buyer's access password controls, and use access passwords to obtain access to buyer's internal systems and 2) In the event of vendor personnel termination or suspected compromise of access password, the vendor must immediately notify buyer.

2.6 HARMFUL CODE

Seller must include appropriate hardware, software, and procedural control measures designed to prevent the propagation and execution of harmful code (e.g. computer viruses, worm, etc.). If seller detects or suspects presence of harmful code on buyer or seller systems, the seller must notify buyer immediately.

2.7 DATA PROTECTION AND DISPOSAL

All data pertaining to the project, including but not limited to, computer printouts, program listings, program documentation, design specifications and programmer notebooks shall be protected from unauthorized access. Such material shall be disposed of by shredding before disposal except that programmers notebooks pertaining to this project shall be turned over to LM-MS upon project completion. Such notebooks should not contain data from work or projects other than the tasks released under this Subcontract. At the completion to this Subcontract, seller shall provide to buyer a written certification signed by an officer of seller's corporation that all such material has been destroyed.

3. SELLER ON BUYER PREMISES ("Buyer" for this Special Provision shall mean those premises owned, leased or near premise facilities provided by Lockheed Martin)

3.1 EMPLOYMENT SOLICITATION

Except as provided below in 3.1.1., each Party to this Agreement agrees that neither it nor its employees shall, either directly or indirectly, recruit or solicit for employment any employee of the other Party to this Agreement or any employee of any ISC2 LM-MS subcontractor or vendor for the duration of the ISC2 Prime Contract (Contract No. F19628-00-C-0019) plus for a period of one-year thereafter. More over, each Party should they become aware of any improper employee to employee employment solicitation. However, neither Party to this Agreement is precluded by this provision from hiring any person who contacts a Party based on a general widely disseminated media advertisement issued by a Party and not as a result of any prohibited solicitation activity as described. Finally, neither Party will charge the other Party with any personnel placement fees, damages, or any other charges connected in the event of such permissible hiring.

3.1.1. As the prime contractor for the ISC2 contract, LM-MS must maintain mission integrity and acceptable levels of system availability to its Customer—the U.S. Government. Accordingly, either Party, after prior advance notice to the other Party, may recruit or solicit for employment any employee of the other Party or any employee of any ISC2 LM-MS subcontractor or vendor who is deemed by LM-MS to be “mission critical”, and is unable to perform the mission or fulfill contractual duties in a complete and satisfactory manner, based upon contractual restrictions or direction imposed on him by his employer. This limited exception will ensure continued support to the ISC2 Customer(s). Currently, the following positions are considered “mission critical”: 10 AMWC SPA’s and 6 CMC AW SPA’s.

3.2 SELLER EMPLOYEES

3.2.1 Seller agrees to take appropriate preventive steps before the assignment of any of its employees to perform work under this agreement that it reasonably believes will ensure that its employees and its sellers’ employees at any level, will not engage in inappropriate conduct while on Buyer premises. Inappropriate conduct shall include, but is not limited to: being under the influence of or affected by alcohol, illegal drugs, or controlled substances; the manufacture, use, distribution, or sale or possession of alcohol, illegal drugs or any other controlled substance, except for approved medical purposes; the possession of a weapon of any sort; and/or harassment, threats or violent behavior. Violation of this provision may result in termination of this contract and any other remedy available to the Buyer at law or in equity.

3.2.2 Buyer may, at its sole discretion, have Seller remove for cause any specified employee of Seller from Buyer’s premises and request that such employee not be reassigned to any Buyer premises under this Subcontract.

3.2.3 Seller shall make reasonable inquiry of its employees regarding any past employment with Buyer and Seller shall inform LM-MS before assigning any known former Buyer employee to perform work under this Subcontract. Buyer may request that Seller not make such assignment.

3.3 SOLICITATION AND DISTRIBUTION

No solicitation or distribution of any kind is permitted on Buyer premises except as required and permitted by law.

3.4 WARRANTIES

Seller warrants that it shall perform all services contracted for under this Subcontract in a workmanlike manner and accordance with the requirement set forth in the Statement of Work and/or Subcontracts issued hereunder.

3.5 SUBCONTRACTORS AND CONSULTANTS

Any lower tier subcontractors and consultants required by the Seller in connection with the services covered by this subcontract will be limited to individuals or firms that were specifically identified and agreed to during negotiations. The Seller shall obtain advance written consent from Boeing before making any substitution if these lower tier subcontractors and consultants.

3.6 ARMS EXPORT CONTROL ACT (“FOREIGN PERSON”)

The Arms Export Control Act (22 U.S.C. 2778 et seq) generally prohibits “Foreign Persons” from having access to certain categories of technical data and other controlled information. In support of this statutory requirement, the Seller agrees that it will not assign for work any individual who is a “Foreign Person” as that phrase is defined in the Arms Export Control Act (see 22 C.F.R., section 2778 (G) (9)) or its implementing regulations (see 22 C.F.R., section 120.16).

3.7 IMMIGRATION

Seller shall comply with the Immigration Reform and Control Act of 1986 as amended.

3.8 ACCESS TO/USE OF BUYER FACILITIES

- 3.8.1 Seller employees shall enter and leave Buyer premises via designated entrances and sign in and out as specified by Buyer.
- 3.8.2 Seller shall provide Buyer the names of Seller employees prior to their reporting to work on Buyer premises. All such employees shall be provided a Seller badge that they must prominently display while on Buyer premises.
- 3.8.3 Seller employees may park in available Buyer lots in spaces not restricted for other use. Improperly parked cars may be towed away at Seller's expense. Difficulty in obtaining parking places shall not constitute justification for late performance or for additional compensation to Seller.
- 3.8.4 Seller employees may have access within the Buyer work location to cafeterias, restrooms and in the event of a medical emergency, Buyer medical facilities for first aid. Other than these, Seller employees' access is restricted to those areas required for the performance of Seller's services under this Subcontract.
- 3.8.5 Seller employees may not participate in recreational or social activities, education course, seminars, internal award programs, library privileges and other benefits and facilities provided for Buyer employees, without prior approval.
- 3.8.6 Seller shall ensure that Seller employees use Buyer telephones only for Buyer business purposes. Seller shall reimburse LM-MS any unauthorized calls.
- 3.8.7 Seller employees may not send or receive personal mail on Buyer premises or use Buyer's information system networks for other than Buyer business purposes.
- 3.8.8 Seller employees shall not have access to or use of Buyer Internal use documents or forms, unless such access is required to perform services under this Subcontract. Seller shall comply with ISC2 processes as required, i.e., Earned Value Management, engineering, hardware and software processes, etc. Buyer shall provide training in these processes as needed. Seller shall ensure that Seller employees do not provide such documents to others and shall return them to Buyer at the completion of the services for which they are required.
- 3.8.9 Seller employees shall not bring onto Buyer premises weapons of any sort, cameras, recording equipment, radios, or any other equipment not specifically authorized by Buyer.
- 3.8.10 Seller shall ensure that Seller employees wear appropriate business attire unless otherwise specified in the Statement of Work.
- 3.8.11 Seller employees shall follow Buyer's current smoking guidelines for the specified work location.

3.9 TERMINATION, RESIGNATION OR REPLACEMENT OF SELLER EMPLOYEES

On the day of termination, resignation or replacement of any Seller employee assigned to Buyer premises, all of the following, items in possession of the employee shall be returned to the Buyer's designated manager/technical coordinator:

Buyer confidential materials (if authorized via appropriate agreement And "Internal Use Only" material).

Buyer keys, books, tools, or other equipment, and identification badges.

The Seller shall also notify the Buyer's designated manager/technical coordinator immediately by telephone, and confirm in writing within one (1) working day, the name of any Seller employee who resigns or is terminated, if the employee has access to Buyer's data processing interface procedures or to the Buyer's data facility. Electronic mail notification is sufficient to meet the terms of this clause.

GENERAL BUSINESS ACTIVITIES

General business activities not related to the Subcontract shall not be conducted by the Seller on Buyer premises, e.g., general recruitment, employment or termination interviews, general employee meetings, etc.

On an exception basis, the Seller may conduct training meeting for their employees when it is related to work performed under the Subcontract and approved in advance by the Boeing procurement representative. The subject for such meetings shall also be submitted to and approved in advance by the Buyer's procurement representative.

3.11 HOLIDAYS AND OTHER CLOSINGS

3.11.1 Unless authorized, Seller shall not provide services on Buyer designated holidays or when the work location is otherwise closed.

3.11.2 Buyer shall provide Seller with LM-MS's established holiday schedule for the work location.

3.11.3 Buyer shall advise Seller as soon as reasonably possible of any unplanned or emergency closing. Seller shall have the responsibility to notify its personnel of such closing. Should emergency closing occur prior to the start of a normal shift, the Seller will not be reimbursed for the time not worked. In the event of an emergency closing during a normal shift, the Seller will be paid for the remaining normal workday of the shift. Seller resident supervision shall use their own judgment regarding the early release of their personnel because of inclement weather when the site has not closed. This action must be communicated to and coordinated with Buyer's management and/or technical coordinator(s).

3.12 NOTICE ON SEXUAL HARASSMENT

Seller shall distribute the following notice on sexual harassment to all of its employees who are assigned to work on Buyer premises: "Buyer is committed to providing a work environment free from sexual harassment. Sexual harassment is unwelcome sexual conduct which has the purpose or effect of unreasonably interfering with an individual's work performance or which creates an offensive or hostile work environment. If you believe that you have been the victim of sexual harassment while working on Buyer premises, you are encouraged to report such incidents directly to your employer. All complaints to Buyer of such conduct will be investigated promptly and dealt with appropriately." Seller shall notify Buyer immediately of any incident involving Buyer employees or Buyer premises.

3.13 SAFETY AND SECURITY

3.13.1 Seller shall take all necessary precautions for the safety of its employees and of Buyer's employees while on Buyer's premises. Seller shall comply with Buyer location safety and security requirements, which shall be provided by Buyer at the start of this Subcontract and as such requirements are revised. Safety glasses, safety shoes or other necessary equipment shall be furnished by the Seller for use in areas where the Buyer requires such equipment.

All accidents involving Seller personnel shall be immediately reported to the Boeing manager/technical coordinator or procurement representative, and to the Buyer's site safety department. A copy of the accident report shall be furnished to the Boeing procurement representative. Buyer's medical department or first aid stations may be used by Seller's employees for emergency assistance and symptomatic relief of minor health problems. For other health problems, Seller employees shall contact their own physician or contact Seller management for advice and service.

3.13.2 Seller shall comply with all Buyer security requirements. Buyer reserves the right to review any site where Seller is performing work for conformity to Buyer security requirements. Seller shall notify the Buyer technical coordinator for any security problems.

3.13.3 Equipment/Asset Security

Buyer equipment/assets remain the property of Buyer and are provided for use only on Buyer premises where Seller is located and only for the purposes of this Subcontract. Such equipment/assets shall not be altered or moved without Buyer's written permission. Seller shall not permit any liens or attachments to be filed against Buyer equipment/assets. Seller shall pay for any damage to Buyer equipment/assets resulting from Seller's use thereof, normal wear and tear excepted.

Seller shall instruct its employees in the importance of protecting Buyer assets. At a minimum, procedures to protect Buyer assets shall include the following:

Clear work areas of all papers and materials at end of day.

Secure confidential or valuable items in locked desks, file cabinets or credenzas at end of day.

Seller shall cooperate with Buyer in any investigation conducted by Buyer involving Buyer assets.

3.13.4 Information Asset Security

Seller shall not connect or allow connection to any Buyer-owned computer without the prior written approval of Buyer and will only connect with, interact with, inspect and/or use those programs, tools or routines specifically made available by Buyer and which are necessary for Seller to provide services under this Subcontract.

Seller shall ensure that:

Terminals connected to Buyer-owned computers are used only for the purposes of this Subcontract:

Unattended terminals are protected from unauthorized use or access;

Telephone numbers for computer dial ports are not posted for general view; and

Terminals connected to Buyer-owned computers are attended by authorized personnel or protected from access by unauthorized personnel

3.13.5 Seller shall ensure that any programs, tools or routines made available on Buyer-owned computers are not copied.

3.13.6 Seller shall ensure that information access passwords and cipher keys are protected from inadvertent disclosure and disclosed only to Seller employees with a need to know.

3.13.7 Seller shall ensure that user identifiers and verification passwords are not shared and are protected from inadvertent disclosure. Seller shall notify Buyer immediately in the event of suspected compromise of such user identifiers and verification passwords or upon termination of a user's business need for access.

3.13.8 Buyer may perform periodic audits of Seller's data sets residing on Buyer computers.

3.13.9 Emergency Procedures

Seller shall instruct its employees to follow Buyer's emergency procedures for the assigned Buyer work location. Buyer shall furnish Seller with a copy of Buyer's Emergency Planning Program for the work location. Each Seller employee shall be briefed by Seller on his/her assigned building and assembly area.

3.14 SELLER'S AGREEMENT WITH EMPLOYEES

It is the Seller's responsibility to advise each of its employees the specific conditions and procedures set herein and to obtain an appropriate signed agreement with each employee, or others whose service Seller may require, sufficient to ensure compliance with said conditions and procedures for work performed on Buyer premises. Such agreements shall be signed by Seller's employees prior to the start date of assignment. Upon request, the Seller shall provide to the Boeing procurement representative a copy of the executed agreement between the Seller and its employees.

5. MARKETING ADDITIONAL SUBCONTRACT TASKS

The seller shall obtain the approval of the Buyer to market to the Government Customer a specific effort, which would fall within the scope of the prime contract. If permission is granted for such efforts, the Seller may be tasked (without additional compensation) to periodically apprise the Buyer on progress towards achieving contractual tasking of these marketing initiatives.

6. For any travel, the Seller shall be required to obtain an ISC2 Travel Authorization request from his/her ISC2 IPT Lead.
7. The SIPP Survey/Export Survey referred to in Section 1.4 can be obtained from Tresa Tayson.