PURCHASE ORDER CLAUSES

PACKAGING SPECS

A list of the packaging specs is located at the following URL under the link titled "Packaging Specifications"
https://www.lockheedmartin.com/en-us/suppliers/business-area-procurement/space/documentation.html
Each of the packaging specs listed are hot-linked to a PDF file outlining the requirements.

PT1A NON-CANCELABLE, NON-RETURNABLE

Except in instances where SELLER fails to comply with any of the material terms of or breaches this Contract, Work ordered under this Contract shall be non-cancelable and non-returnable (NCNR) to the extent identified as such. SELLER must have clearly marked any Work as NCNR that is intended to be subject to this clause on its quotation and solicitation bid response and have received express acknowledgement by LOCKHEED MARTIN accepting the Work as NCNR. This NCNR clause applies solely between the parties to this Contract and does not limit or waive any rights of LOCKHEED MARTIN's Customer under the prime contract, including the right to terminate any related requirements by LOCKHEED MARTIN's Customer. LOCKHEED MARTIN may reject or return any NCNR Work that is defective or nonconforming to Contract requirement(s), and SELLER must promptly correct through repair, reperformance and/or replacement, in accordance with the clauses titled "Inspection and Acceptance" and "Warranty".

PT1M MILESTONE PAYMENTS T'S AND C'S

Definition. Milestone payments (for milestone events) are billing arrangements which result in periodic payments of portions of the total fixed price of this purchase order to Seller upon the verified accomplishments of the milestone events as shown below.

Requirements for Payment. Payments will be made under this Purchase Order upon submission of invoices by the Seller which are supported by written evidence of completion of milestone events listed below, and approval of these documents by Lockheed Martin. In addition, each invoice must contain a statement that Seller certifies the milestone event being billed has been fully accomplished. The invoice shall be annotated "Milestone Billing" and submitted against this Purchase Order number. The amount of the invoice plus all payments previously approved shall not exceed ninety percent (90%) of the price of this Purchase Order, or ninety percent (90%) of the deliverable line item price if on a delivery item basis. **The final payment shall be at least ten percent (10%) of the price of this Purchase Order, or ten percent (10%) of the deliverable line item price if on a delivery item basis, and will be withheld pending final acceptance of all deliverables and services to the satisfaction of Lockheed Martin.**

Maximum Payment. On completion or termination of this Purchase Order, Lockheed Martin shall deduct from the amount due to the Seller all previous milestone payments. If previous payments to the Seller exceed the amount due, the excess amount shall be paid to Lockheed Martin on demand. For purposes of this clause, the Purchase Order price shall be considered to be the stated Purchase Order price, less any price reductions, plus any price increases resulting from modification of this Purchase Order.

Reports and Access to Records. At Lockheed Martin's option, Seller will allow a mutually agreed upon independent auditor or the Government to have access to reports, certificates, financial statements, and other pertinent information reasonably requested by the auditor for administration of this clause. Also, the Seller shall give the auditor reasonable opportunity to examine and verify the Seller's books, records, accounts and physical inventory. Lockheed Martin shall bear the cost for the independent auditor. Seller shall maintain such records for three (3) years from the date of the Purchase Order completion.

Title. Title to the property described herein shall vest in Lockheed Martin. Vestiture shall be immediately upon the date of the first milestone payment under this Purchase Order, for property acquired or produced before that date. Otherwise, vestiture shall occur when the property is or should have been allocable or properly chargeable to this Purchase Order. "Property," as used in this clause, includes all items acquired or produced by the Seller under this Purchase Order such as parts, materials, work in process, special tooling and special test equipment, jigs, dies, fixtures, molds, patterns, gauges, test equipment and other similar manufacturing aids, and deliverable drawings and technical data. Although title to property is vested in Lockheed Martin in accordance with this clause, other applicable clauses of this Purchase Order (e.g., the termination clauses) shall determine the handling and disposition of such property. Seller may sell any scrap resulting from production under this Purchase Order, without requesting Lockheed Martin's approval, provided that any significant reduction in the value of the property to which Lockheed Martin has title under this clause is reported in writing to Lockheed Martin. When Seller completes all of the obligations under this Purchase Order, title shall vest in Seller for all property not delivered to, and accepted by, Lockheed Martin under this Purchase Order or incorporated in supplies delivered to, and accepted by, Lockheed Martin under this Purchase Order and to which title is vested in Lockheed Martin under this clause. The terms of this Purchase Order concerning liability for Government-furnished property shall not apply to property to which Lockheed Martin acquired title solely under this clause.

Risk of Loss. Before delivery to and acceptance by Lockheed Martin, Seller shall bear the risk of loss for property, the title to which vests in Lockheed Martin under this clause, except to the extent Lockheed Martin expressly assumes the risk. If any property is lost, stolen, damaged, or destroyed, the basis of payment (the milestone events) to which the property is related shall be deemed to be not in compliance with the terms of the Purchase Order and not payable (if the property is part of or needed for performance), and Seller shall refund the related milestone payments.

Milestone Event Payment Schedule, Rights and Remedies. In consideration of the satisfactory completion and/or delivery by the Seller and acceptance by Lockheed Martin of the Work to be performed under the Scope of Work clause, including approved reports, the Seller shall submit invoices and be paid as follows against the following milestone events. No payment or vesting of title under this clause shall excuse Seller from performance of obligations under this Purchase Order or constitute a waiver of any of the rights or remedies of the parties under the Purchase Order. Lockheed Martin's rights and remedies under this clause shall not be exclusive, but rather shall be in addition to any other rights and remedies provided by law or this Purchase Order. In the event this Purchase Order is terminated for default, Seller may not be entitled to retain monies paid to it in the form of milestone event payments.

The Milestone Payment Plan is an Exhibit to this Purchase Order.

PT1P PERFORMANCE BASED PAYMENTS

The Seller shall invoice Lockheed Martin and the invoice shall contain the following information: name and address of the Seller, this Purchase Order number, line item, date of the request for performance based payment, information and documentation required by the purchase order's description of the basis for payment (performance completion criteria).

PERFORMANCE BASED PAYMENTS
FAR 52.232-32 Performance-Based Payments is hereby incorporated into this Purchase Order by reference. "Contracting Officer" and "Government" means "Lockheed Martin." Subparagraph (c)(2) is deleted. The risk of loss provision at subparagraph (g) shall apply in lieu of FAR 52.245-1(h).

The Performance Based Payment Plan is an Exhibit to this Purchase Order.

Each invoice submitted by Seller hereunder shall be signed by an officer or other authorized representative and bear the following performance based payments certification:

I certify to the best of my knowledge and belief that--
1) This request for performance-based payment is true and correct; this request (and attachments) has been prepared from the books and records of the Seller, in accordance with the purchase order and the instructions of the Contracting Officer;

2) (Except as reported in writing on _____), all payments to subcontractors and suppliers under this purchase order have been paid, or will be paid, currently, when due in the ordinary course of business;

3) There are no encumbrances (except as reported in writing on_____) against the property acquired or produced for, and allocated or properly chargeable to, the purchase order which would affect or impair the Government's title;

4) There has been no materially adverse change in the financial condition of the Seller since the submission by the Seller to the Government of the most recent written information dated _____; and

5) After the making of this requested performance-based payment, the amount of all payments for each deliverable item for which performance-based payments have been requested will not exceed any limitation in the purchase order, and the amount of all payments under the purchase order will not exceed any limitation in the purchase order.

PT2A COST ACCOUNTING STANDARDS – FULL COVERAGE

This contract is subject to full Cost Accounting Standard (CAS) coverage. FAR 52.230-2 as included in the applicable terms and conditions applies to this Contract.

PT2B COST ACCOUNTING STANDARDS – MODIFIED COVERAGE

This contract is subject to modified Cost Accounting Standards (CAS) coverage. FAR 52.230-3 as included in the applicable terms and conditions applies to this Contract.

PT2C DISCLOSURE AND CONSISTENCY OF COST ACCOUNTING PRACTICES FOR SUBCONTRACTS AWARDED TO FOREIGN CONCERNS

This contract is subject to modified Cost Accounting Standards (CAS) coverage for foreign concerns. FAR 52.230-4 as included in the applicable terms and conditions applies to this Contract.

PT2D DD254 REQUIREMENTS
DD Form 254, Contract Security Classification Specification, is incorporated by reference into this purchase order. During the performance of this purchase order, access to classified information or material will be required, and the disposition of all such classified material shall be conducted in strict accordance with the directions set forth in the DD Form 254.

PT2E COST ACCOUNTING STANDARDS – EDUCATIONAL INSTITUTIONS
This contract is subject to Cost Accounting Standards (CAS) for educational institutions. FAR 52.230-5 as included in the applicable terms and conditions applies to this Contract.

PT2J FBM FIELD SITE
This procurement is in support of a FBM Field Site requirement.

PT2L FBM LOGISTICS INTEGRATION
This procurement is in support of FBM Logistics Integration requirements.

PT43 PROGRESS PAYMENTS
FAR 52.232-16 Progress Payments is hereby incorporated into this Purchase Order by reference. If you are a small business concern, then this clause with its Alternate I is incorporated by reference. "Contracting Officer" means "Lockheed Martin" except in paragraph (g) where it means "Contracting Officer or Lockheed Martin." "Government" means "Lockheed Martin" except: (A) in paragraphs (d), (e) and (j)(5) where the term is unchanged and (B) in paragraphs (g) and (i) where it means "the Government or Lockheed Martin." The risk of loss provision at subparagraph (e) shall apply in lieu of FAR 52.245-1(h).

PTAG ADVANCE PAYMENTS (Government Funded Procurements)
FAR 52.232-12 Advance Payments is hereby incorporated into this Purchase Order by reference. If you were issued a cost reimbursable Purchase Order, then this clause with Alternate II is incorporated by reference. "Administering Office" and "Contracting Officer" means "Lockheed Martin's Procurement Representative", "Government" means "Lockheed Martin." FAR 52.245-1 does not apply to property to which Lockheed Martin acquired title solely under this clause. The payment amount and purpose of the advance payment are stated in this Purchase Order.

PTAN ADVANCE PAYMENTS (Non-Government Funded Procurements)
Upon acceptance of this Purchase Order, you are requested to submit an invoice to the Lockheed Martin Procure-to-Pay Portal identified herein in the amount and purpose stated in this Purchase Order as an advance payment.

PTCC CANADIAN CAUSALITY
A factor in Lockheed Martin Corporation (LMC) partnering with Seller stated on this Purchase Order, a Canadian company, is to support current or anticipated Industrial and Technological Benefits (ITB) policies and obligations including Value Proposition (VP) commitments. The Canadian supplier understands and acknowledges that procurements qualifying as ITB/VP will be exclusively and irrevocably assigned to LMC for its sole use and will be claimed for ITB/VP credit in accordance with applicable laws and rules. So that LMC may be able to ensure transparency in its ITB obligations, Canadian Seller stated in this Purchase Order agrees to provide promptly, upon request, the necessary procurement information at no additional cost, e.g., ITB Recipient quality and impact benefits, Canadian Content Value (CCV) to support documentation specific to the ITB/VP credit claim.

PTLY CONFIGURATION MANAGEMENT CLASS II CHANGES
Seller shall provide notification and visibility into Class II changes. Class II changes are changes to design specification, configuration, material, part or manufacturing process that do not affect form, fit, function, weight, safety, reliability, or center of gravity of the end item. All proposed Class II changes shall be submitted for Buyer notification via Form 1879, Vendor (Supplier) Request for Information or Change (VRIC), which may be obtained from Buyer.

PTN1 DD250 SHIPPING AND MARKING INSTRUCTIONS
Completed DD250 is required for Government Buyoff. DD250 Shipping and Marking Instructions for this order are contained in the Purchase Order.

PTR1 REACH (REGISTRATION, EVALUATION, AUTHORIZATION AND RESTRICTION OF CHEMICALS)
Work delivered by Seller under this Contract may be incorporated into deliverable goods for use (i) in the European Economic Area (EEA) and subject to the European Union Regulation (EC) No 1907/2006 concerning the Registration, Evaluation, Authorization and Restriction of Chemicals (REACH); the Classification, Labeling and Packaging Regulation

(EC) No. 1272/2008 (CLP); and the Biocidal Products Regulation (EU) 528/2012) (BPR); and/or (ii) in countries with laws or regulations containing provisions substantially equivalent to REACH and comparable implementing regulations and laws of multi-lateral conventions (such as the Stockholm (Persistent Organic Pollutants) and Minamata (Mercury) Conventions).

(1) Seller represents and warrants that the Work and any substances contained therein are not prohibited or restricted by, and are supplied in compliance with all applicable chemical substance laws and/or regulations including but not limited to REACH, CLP, and BPR, and that no current requirement in any applicable chemical substance law and/or regulation prevents the sale or transport of Seller's Work or substances in Seller's Work in the EEA or other applicable countries, and that all such Work and substances have been pre-registered, registered, reported, approved, and/or authorized as and to the extent required by all applicable chemical substance laws and/or regulations including but not limited to REACH, CLP, and BPR.

(2) Seller shall timely respond to any request from Lockheed Martin with all relevant information on the Work so that the intents of all applicable chemical substance laws and/or regulations including but not limited to REACH, CLP, and BPR are met for communicating with downstream users (e.g., as defined in article 3(13) of REACH [any person established in the EEA using substances in the course of that person's industrial or professional activities; the definition does not include the manufacturer, importer, distributor, or consumer]), and in any case, Seller shall provide all information necessary for Lockheed Martin and/or any downstream user to timely and accurately fulfill their obligations under all applicable chemical substance laws and/or regulations including but not limited to REACH, CLP, and BPR.

(3) Seller shall bear all costs, charges and expenses related to pre-registration, registration, evaluation, authorization, reporting, and approval under all applicable chemical substance laws and/or regulations including but not limited to REACH, CLP, and BPR.

PTSM SOFTWARE BILL OF MATERIAL (SBOM) FOR CRITICAL SOFTWARE

A Software Bill of Material (SBOM) is required to be delivered with the Critical Software, using CycloneDX (version 1.5 or later) in json format.

The SBOM shall be developed in accordance with the then current version of **The Minimum Elements For a Software Bill of Materials (SBOM)** (https://www.ntia.doc.gov/files/ntia/publications/sbom_minimum_elements_report.pdf) and shall contain the following Cyclone DX metadata fields:

1. Licensing information
2. Purchase order
3. License types
4. Last renewal
5. Expiration

To effect validation of the required data and software, you are encouraged to use **Hoppr** (https://hoppr.dev/).

PTSV GOVERNMENT BILL OF LADING

Shipment of item(s) on this order requires the use of a Government Bill of Lading. Seller shall contact the Buyer at least two weeks before expected shipping date (minimum time required for preparation of GBL) for instructions.

PTD35 PACKAGING, MARKING, SHIPMENT AND DELIVERY

A. Subcontractor shall package all items for delivery in accordance with the following:

If not defined, best commercial practice shall apply to all products. The general terms "best commercial practice" or "contractor's best practices" are to be implemented in accordance with American Society for Testing and Material (ASTM) D3951, Standard Practice for Commercial Packaging. The National Aerospace Standard (NAS) 850, General Packaging Standard, may be used in conjunction with ASTM D3951. Product-specific or protection requirements, determined by the product manufacture, include but are not limited to shock, vibration, acceleration, electrostatic-sensitive devices, hazardous materials or articles, cleanliness, bending, humidity, and temperature, shall be met per the manufacturer recommendation, where applicable.

Subcontractor shall identify each shipping container with the number of this Purchase Order and each shipping container shall be numbered to indicate the total number of containers being shipped, e.g., 1 of 3, 2 of 3, etc.

B. Marking

The Subcontractor agrees to affix to the outer surfaces of the inner bag and the shipping container the following

markings: part number, serial number, date, method of cleaning, method of packaging, inspection date for materials covered by SAE-AS5316 (when applicable) and the statement, "The inner bag must be opened in an approved dust-free room for testing or inspection." Test reports, data, and any necessary articles that have not been cleaned will be firmly attached to the exterior of the package enclosing the part. NOTE: Holes in the sealed area of the inner bag are not permitted.

C. Subcontractor shall prepare a packing list which shall be affixed to the first container, and which shall show:
1) Bill of Lading or Air Bill Number
2) The number of this Purchase Order
3) List of items being shipped
4) Part number(s)
5) Total number of containers

D. Subcontractor shall ship in accordance with the following:
1) Unless otherwise specified in the Purchase Order, ship F.O.B Origin.

Shipping on all 150+ pound orders by surface truck will be initiated through Allyn International (https://ala.allynintl.com/) or if authorized by the Lockheed Martin Procurement Representative, through a Space Traffic/Shipping Office.

Unless specified in the Purchase Order, all shipments meeting the following criteria will be processed by a LM Space Traffic office*:

- Transport envelope dimensions at or exceeding any of the following:
  - 14’ Wide
  - 14’ High
  - 100’ Length
- Any single piece weighing over 60K lbs. (gross)
- International
- Classified / Transportation Protective Service
- Lockheed Martin internal Transportation (LM trucks/drivers/equipment)
- Hazardous Materials/Dangerous Goods requiring certification for offering by LM or usage of a Lockheed Martin DOT Special Permit
- Physically monitored/maintained in transit
- Air charter / Commercial airlift / USAF SAAM
- LM Courier / LM Hand carry

For all other orders, please review account numbers and business import/export contacts at https://procure.external.lmco.com/irj/portal/LMRoutingGuides by logging into Exostar > LMP2P > LM Routing Guides link on left.**

* To connect with a LM Space Traffic office, please contact your Lockheed Martin Procurement Representative.

** Routing guides are updated regularly and subject to change.

2) When the items being shipped are Government-Owned Property or when the FOB point is other than destination, (i) Subcontractor shall not insure such shipments and (ii) Subcontractor shall not declare any value on such shipments except when the transportation rate is predicated thereon. If a declaration of value is necessary, it shall be made in an amount which will result in the lowest transportation charges.

3) If the FOB point where risk of loss passes to the buyer is other than destination, shipments shall be forwarded "Freight Collect" (Origin / Collect) to all Lockheed Martin facilities unless otherwise specified in the Purchase Order.

Suppliers selling and installing the goods / equipment on a Lockheed Martin Plant may use Destination Pre-Paid and the freight charges shall be billed as a separate item on the invoice. Shipping shall be coordinated with the scheduled installation date(s) identified in the Purchase Order.

4) Special instructions, if any, are specified in the Purchase Order.

E. Excess transportation costs resulting from Subcontractor's failure to comply with the foregoing requirements or other shipping instructions shall be disallowed, or if paid by Lockheed Martin, shall be debited back to Subcontractor.

PTD74 MARKING INSTRUCTIONS

The Seller agrees to affix to the outer surfaces of the inner bag and the shipping container the following markings: part

number, serial number, date, method of cleaning, method of packaging, inspection date for materials covered by SAE-AS5316 (when applicable) and the statement, "The inner bag must be opened in an approved dust-free room for testing or inspection." Test reports, data, and any necessary articles that have not been cleaned will be firmly attached to the exterior of the package enclosing the part. NOTE: Holes in the sealed area of the inner bag are not permitted.