

# NORTHROP GRUMMAN SYSTEMS CORPORATION

## ADDENDUM TO TERMS AND CONDITIONS FOR COMMERCIAL ITEMS IN SUPPORT OF F-35 DEVELOPMENT FOUNDATION CONTRACT (DFC 3) CONTRACT # N00019-22-C-0041

All of the additional terms and conditions set forth below are incorporated in and made part of this Order. Any conflict between any of the conditions contained in this addendum and those appearing on Northrop Grumman Systems Corporation Purchase Order Terms and Conditions shall be resolved in favor of the conditions in this addendum.

In all clauses "Government" or "Contracting Officer means "Lockheed Martin".

### I. ADDITIONS

#### A. RESTRICTION ON THE DELIVERY OR PROCUREMENT OF SUPPLIES AND SERVICES FROM THE REPUBLIC OF TURKEY

##### (a) Definitions.

- (1) "Component" means any item supplied to the Government as part of an end product including, without limitation, raw materials and intermediate assemblies.
- (2) "Covered article" means any end item, component, software, or service that-
  - (i) Is produced in Turkey or by a covered entity; or
  - (ii) Is a service provided in Turkey or by a covered entity.
- (3) "Covered entity" means an entity that is effectively owned or controlled by the Turkish government.
- (4) "Effectively owned or controlled" means that the Turkish government or any entity controlled by the Turkish government has the power, either directly or indirectly, whether exercised or exercisable, to control the election, appointment, or tenure of the entity's officers or a majority of the entity's board of directors by any means, e.g., ownership, contract, or operation of the law (or equivalent power for unincorporated organizations) but only to the extent that such effective ownership or control is actually known by the SELLER to the best of its knowledge without obligation to inquire.
- (5) "Entity controlled by the Turkish government" means
  - (i) Any domestic or foreign organization or corporation that is known to be effectively owned or controlled by the Turkish government; or
  - (ii) Any individual directly and openly or known to the Contractor to be acting on behalf of the Turkish government.
- (6) "Purchase Order" means a mutually binding agreement between the Contractor and a subcontractor indicating types, definite quantities, and prices for products or services the subcontractor will provide to the Contractor.

##### (b) Restrictions.

From the date of incorporation of this clause into the Contract, the Contractor shall not enter into any Purchase Orders that would result in the delivery of covered articles under this contract nor charge to this contract, either directly or indirectly, of the costs of any covered article placed on a Purchase Order after said incorporation date.

##### (c) Reporting requirement.

- (1) In the event the Contractor identifies a covered article provided to the Government during contract performance that was placed on a Purchase Order after 31 March 2020, or the Contractor is notified of such by a subcontractor at any tier or any other source, the Contractor shall report, in writing, to the Contracting Officer the following information:
  - (i) Within 10 business days from the latter to occur of (a) the date of such identification or notification or (b) the incorporation of this clause into this Contract: the contract number; the order number(s), if applicable; supplier name; brand; model number (Original Equipment Manufacturer (OEM) number, manufacturer part number, or wholesaler number); item description; and any readily available information about mitigation actions undertaken or recommended.
  - (ii) Within 20 business days of submitting the report pursuant to paragraph (c)(1) of this clause: any further available information about mitigation actions undertaken or recommended. In addition, for covered articles provided to the Government placed on a Purchase Order after incorporation of this clause, the Contractor shall describe the efforts it undertook to prevent use or submission of a covered article, any reasons that led to the use or submission of the covered article, and any additional efforts that will be incorporated to prevent future use or submission of covered articles.

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- (d) The Parties agree that no consideration shall be provided by the Contractor to the Government, or penalties imposed upon the Contractor for unknowingly being non-compliant to paragraph (b) above.
- (e) Subcontracts. The Contractor shall insert the substance of this clause, including this paragraph (e), in all subcontracts, including subcontracts for the acquisition of commercial items.

### II. REVISIONS

The following changes are made to the clause entitled, "Federal Acquisition Regulation (FAR) and Defense Far Supplement (DFARS) Flowdown Clauses and Provisions":

1. Add the following DFARS clauses:

252.225-7054 PROHIBITION ON USE OF CERTAIN ENERGY SOURCED FROM INSIDE THE RUSSIAN FEDERATION

252.236-7013 REQUIREMENT FOR COMPETITION OPPORTUNITY FOR AMERICAN STEEL PRODUCERS, FABRICATORS, AND MANUFACTURERS  
(Applicable to Orders requiring the acquisition of steel as a construction material)

2. Add the following DFARS clause in full text:

#### **252.225-7972 PROHIBITION ON THE PROCUREMENT OF FOREIGN-MADE UNMANNED AIRCRAFT SYSTEMS (DEVIATION 2020-O0015)**

(a) Prohibition. In accordance with section 848 of the National Defense Authorization Act for Fiscal Year 2020, the Contractor shall not provide or use in the performance of this contract-

- (1) An unmanned aircraft system (UAS), or any related services or equipment, that –
- (i) Is manufactured in the People's Republic of China or by an entity domiciled in the People's Republic of China;
  - (ii) Uses flight controllers, radios, data transmission devices, cameras, or gimbals manufactured in the People's Republic of China or by an entity domiciled in the People's Republic of China;
  - (iii) Uses a ground control system or operating software developed in the People's Republic of China or by an entity domiciled in the People's Republic of China;
  - (iv) Uses network connectivity or data storage located in, or administered by an entity domiciled in the People's Republic of China; or
- (2) A system for the detection or identification of a UAS, or any related services or equipment, that is manufactured –
- (i) in the People's Republic of China; or
  - (ii) by an entity domiciled in the People's Republic of China.

(b) Subcontracts. The Contractor shall insert the substance of this clause, including this paragraph (b), in all subcontracts or other contractual instruments, including subcontracts for the acquisition of commercial items.

(End of clause)

### III. ADDITIONAL CONDITIONS

1. COMPLIANCE WITH CYBER SECURITY CLAUSES

Seller must comply with the provisions of FAR 52.204-21 Basic Safeguarding of Covered Contractor Information Systems and DFARS 252.204-7012 Safeguarding Covered Defense Information and Cyber Incident Reporting, 252.204-7019 Notice of NIST SP 800-171 DoD Assessment Requirements, and DFARS 252.204-7020 NIST SP 800-171 DoD

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Assessment Requirements, all of which are incorporated herein by reference. Seller shall provide adequate security on all covered information systems in accordance with the provisions of these clauses. The Seller shall notify the Buyer immediately should Seller not be in compliance with any aspect of or wish to deviate from the provisions of NIST SP 800-171.