

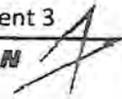
Contract No. DE-AC04-94AL85000

Modification No. M0541

Attachment 3

Marcus B. Ide
Assistant Treasurer

LOCKHEED MARTIN



Part III – Section J

Appendix F

Performance Guarantee Agreement (Legacy-123)

For value received, and in consideration of, and in order to induce the United States (the Government) to enter into Modification No. M0541 to Contract DE-AC04-94AL85000 for the management and operation of Sandia National Laboratories ("the Contract") which Contract was originally dated as of October 1, 1993, for the initial five-year term commencing October 1, 1993, as extended by virtue of Modification Nos. M081, M202, M222, M266, M293, M319, M473, M0512, M0538 and by virtue of Modification No. M0541 by and between the Government and Sandia Corporation (Contractor), the undersigned, Lockheed Martin Corporation (Guarantor), a corporation incorporated in the State of Maryland with its principal place of business at 6801 Rockledge Drive, Bethesda, MD hereby unconditionally guarantees to the Government (a) the full and prompt payment and performance of all obligations, accrued and executory, which Contractor presently or hereafter may have to the Government under the Contract, and (b) the full and prompt payment and performance by Contractor of all other obligations and liabilities of Contractor to the Government, fixed or contingent, due or to become due, direct or indirect, now existing or hereafter and howsoever arising or incurred under the Contract, and Guarantor further agrees to indemnify the Government against any losses the Government may sustain and expenses it may incur as a result of the enforcement or attempted enforcement by the Government of any of its rights and remedies under the Contract, in the event of a default by Contractor thereunder, and/or as a result of the enforcement or attempted enforcement by the Government of any of its rights against Guarantor hereunder.

Guarantor has read and consents to the signing of the Contract, including Modification No. M0541. Guarantor further agrees that Contractor shall have the full right, without any notice to or consent from Guarantor to make any and all modifications or amendments to the Contract without affecting, impairing, or discharging, in whole or in part, the liability of Guarantor hereunder.

Guarantor hereby expressly waives all defenses which might constitute a legal or equitable discharge of a surety or guarantor, and agrees that this Performance Guarantee Agreement shall be valid and unconditionally binding upon Guarantor regardless of (i) the reorganization, merger, or consolidation of Contractor into or with another entity, corporate or otherwise, or the liquidation or dissolution of Contractor, or the sale or other disposition of all or substantially all of the capital stock, business or assets of Contractor to any other person or party, or (ii) the institution of any bankruptcy, reorganization,

insolvency, debt arrangement, or receivership proceedings by or against Contractor, or adjudication of Contractor as a bankrupt, or (iii) the assertion by the Government against Contractor of any of the Government's rights and remedies provided for under the Contract, including any modifications or amendments thereto, or under any other document(s) or instrument(s) executed by Contractor, or existing in the Government's favor in law, equity, or bankruptcy.

Guarantor further agrees that its liability under this Performance Guarantee Agreement shall be continuing, absolute, primary, and direct, and that the Government shall not be required to pursue any right or remedy it may have against Contractor or other Guarantors under the Contract, or any modifications or amendments thereto, or any other document(s) or instrument(s) executed by Contractor, or otherwise. Guarantor affirms that the Government shall not be required to first commence any action or obtain any judgment against Contractor before enforcing this Performance Guarantee Agreement against Guarantor, and that Guarantor will, upon demand, pay the Government any amount, the payment of which is guaranteed hereunder and the payment of which by Contractor is in default under the Contract or under any other document(s) or instrument(s) executed by Contractor as aforesaid that Guarantor will, upon demand, perform all other obligations of Contractor, the performance of which by Contractor is guaranteed hereunder.

Guarantor agrees to assure that it shall cause this Performance Guarantee Agreement to be unconditionally binding upon any successor(s) to its interests regardless of (i) the reorganization, merger, or consolidation of Guarantor into or with another entity, corporate or otherwise, or the liquidation or dissolution of Guarantor, or the sale or other disposition of all or substantially all of the capital stock, business, or assets of Guarantor to any other person or party, or (ii) the institution of any bankruptcy, reorganization, insolvency, debt arrangement, or receivership proceedings by or against Guarantor, or adjudication of Guarantor as a bankrupt.

Guarantor further warrants and represents to the Government that the execution and delivery of this Performance Guarantee Agreement is not in contravention of Guarantor's Articles of Organization, Charter, by-laws, and applicable law; that the execution and delivery of this Performance Guarantee Agreement, and the performance thereof, has been duly authorized by the Guarantor's Board of Directors, Trustees, or any other management board which is required to participate in such decisions; and that the execution, delivery, and performance of this Performance Guarantee Agreement will not result in a breach of, or constitute a default under, any loan agreement, indenture, or contract to which Guarantor is a party or by or under which it is bound.

No express or implied provision, warranty, representation or term of this Performance Guarantee Agreement is intended, or is to be construed, to confer upon any third person(s) any rights or remedies whatsoever, except as expressly provided in this Performance Guarantee Agreement. Notwithstanding anything to the contrary contained herein, the liability of Guarantor hereunder shall be subject to and limited by the applicable provisions of the Contract.

This Performance Guarantee Agreement is for the contractual period of performance starting May 1, 2014, as described in Modification No. M0541, and is not intended to impair or affect

Contract No. DE-AC04-94AL85000
Modification No. M0541
Attachment 3

previous Performance Guarantees executed by Martin Marietta Corporation and Lockheed Martin Corporation, dated May 25, 1993, September 24, 1998, September 29, 2003, August 29, 2012, August 22, 2013, and March 21, 2014 respectively. Those guarantees have no application to the period of performance after May 1, 2014, as described in Modification M0541.

In witness thereof, Guarantor has caused this Performance Guarantee Agreement to be executed by its duly authorized officer, and its corporate seal to be affixed hereto on April 17, 2014.

LOCKHEED MARTIN CORPORATION

BY: 
NAME: Marcus B. Ide

TITLE: Assistant Treasurer

ATTEST
BY: 

NAME: Mary Beth Adamchik

TITLE: Treasury Senior Manager