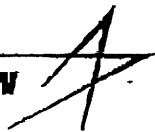


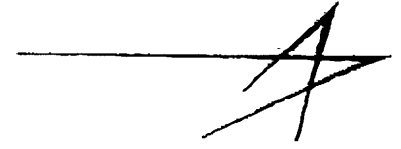
MISSION SUCCESS: INTERNATIONAL BUSINESS

**LOCKHEED MARTIN CORPORATION'S
COMMITMENT TO COMPLIANCE IN
INTERNATIONAL BUSINESS
TRANSACTIONS**

LOCKHEED MARTIN

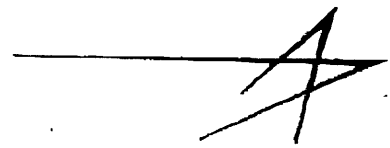


Scott W. MacKay
Associate General Counsel
Litigation & Compliance



LOCKHEED MARTIN POLICY

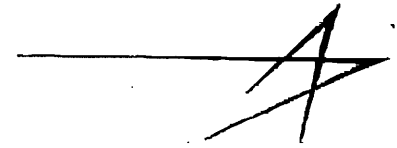
Lockheed Martin Corporation is committed to conduct its activities free from unfair influence of bribery and to foster anti-corruption awareness among its employees and business relations throughout the world.



U.S. Law

- ***Foreign Corrupt Practices Act***
 - ***Prohibits bribery***
 - ***Prohibits falsification of company books and records***
- ***Vigorous Enforcement by U.S. Dept of Justice***
- ***Violations Result in Significant Consequences***
 - ***Jail and Financial Fines and Penalties***
 - ***Denial or Revocation of Export Licenses***
 - ***Debarment from Contracting with U.S. Govt***
 - ***Shareholders' lawsuits and liability***

Compliance Efforts



- ***Focus on Sales Agents, Representatives and Consultants***
- ***Payments to Third Parties Represent Most Significant Risk of Corrupt Activity***
- ***Implement Detailed Review and Approval Process***
 - ***Company Preliminary Due Diligence***
 - ***Company Legal***
 - ***Corporate Regional VP and VP-Int'l Approval***
 - ***Corporate Legal***
 - ***Consultant Review Committee***

Due Diligence Requirements



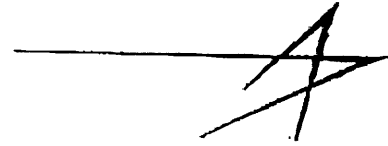
- ***Written Agreement with FCPA Certifications***
- ***Face to Face Interview***
- ***Agent's Qualifications, Staff & Facilities, Track Record, & Reputation***
- ***In-Country Legal Opinion Regarding Local Law***
- ***Reasonableness of Compensation***
 - ***Market Rate and Rationale***
 - ***No Third Country, Third Party, Numbered or Cash Payment***
 - ***Last Minute Increase or New Agent***

Due Diligence Requirements



- ***Scrutinize Agent's Formal or Informal Relationship with Local Government***
- ***Ensure Agent's Due Diligence Answers Are Accurate***
- ***Designate Monitor to Provide Continued Oversight of Agent's Activities, Reports, and Invoices***
- ***Accurately Account for and Report All Payments to Agent***

CONCLUSION



- ***Commitment to Ethical Conduct in International Transactions Requires Substantial Resources***
- ***Refusal to Engage in Corrupt Practices Puts Company at Competitive Disadvantage in Some Markets and with Some Competitors***
- ***Failure to Comply with Legal and Ethical Requirements Presents Greatest Risk to Corporation***
- ***Legal and Ethical Conduct is Right Thing to Do***