

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K
CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of Earliest Event Reported) -- May 4, 1995
(Exact name of registrant as specified in its charter)

LOCKHEED MARTIN CORPORATION

Maryland
(State or other
jurisdiction of
incorporation)

1-11437
(Commission
File Number)

52-1893632
(IRS Employer
Identification No.)

6801 Rockledge Drive Bethesda, Maryland
(Address of principal executive offices)

20817
(Zip Code)

(301) 897-6000
(Registrant's telephone number, including area code)

Not Applicable
(Former name or address, if changed since last report)

The exhibit index as required by item 601(a) of Regulation S-K is included on
page 3 of this report. This report includes 11 pages.

Item 5. Other Events

On March 15, 1995, Lockheed Corporation ("Lockheed") and Martin Marietta Corporation ("Martin Marietta") consummated a transaction (the "Combination") pursuant to which Lockheed and Martin Marietta became wholly-owned subsidiaries of a new holding corporation, Lockheed Martin Corporation ("Lockheed Martin"). A detailed description of the Combination is contained within the Joint Proxy Statement/Prospectus which forms a part of Lockheed Martin's Form S-4 Registration Statement (No. 33-57645) filed with the Securities and Exchange Commission (the "Commission") February 9, 1995.

Following the filing of a "Complaint for Permanent Injunction and Certain Ancillary Relief" by the Commission in the United States District Court for the District of Columbia on April 13, 1976 (Securities and Exchange Commission v. Lockheed Aircraft Corporation, et al. Civil Action No. 76-0611), Lockheed (then known as Lockheed Aircraft Corporation) consented to the entry of a Final Judgement of Permanent Injunction which incorporates a Consent and Undertaking pursuant to which Lockheed, among other things, represented to the Commission that its Board of Directors had adopted, implemented and would maintain a Statement of Policies and Procedures (the "Statement") with respect to payments by Lockheed to any official or employee of any government or any official or employee of any entity owned and/or controlled by any government which payments would be unlawful under the laws of the United States or such foreign country.

In addition, Lockheed agreed to file a copy of the Statement with the Commission as an Exhibit to a Current Report on Form 8-K and a copy of Lockheed Management Policy Statement (MPS) 168 which contains the Statement was so filed as Exhibit E to Lockheed's Current Report on Form 8-K, dated May 6, 1976. Further, Lockheed represented to the Commission that, in the event there was an intent to change the policy embodied in the Statement, at least 10 days prior to the effectiveness of the contemplated policy change, Lockheed would file a copy of the revised Statement with the Commission via a Current Report on Form 8-K.

As a wholly-owned subsidiary of Lockheed Martin, Lockheed is adopting the policies and procedures of Lockheed Martin. One of these procedures, Procedure No.: INT-01 has as its subject Consultants to Lockheed Martin Corporation and will, upon its effectiveness, supplant MPS 168.

As a result of the Combination, Lockheed no longer has securities registered pursuant to Section 13 or 15(d) of the

Securities Exchange Act of 1934. Consequently, on behalf of Lockheed, Lockheed Martin has included, as an exhibit to this filing, its proposed Procedure No.: INT-01. The effectiveness of INT-01 is expressly conditioned upon this Form 8-K having been filed with the Commission at least 10 days prior to the effective date.

Item 7. Financial Statements and Exhibits

Financial Statements

None

Exhibits

99 Lockheed Martin Corporation Procedure No.: INT-01
- Consultants to Lockheed Martin Corporation

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

LOCKHEED MARTIN CORPORATION

/s/ Stephen M. Piper
By : Stephen M. Piper
Its: Assistant General Counsel

Date: 4 May 1995

Corporate Headquarters
Procedure No: INT-01
Issued: March 17, 1995
Effective Date: 10 days after filing with SEC
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Subject: Consultants to Lockheed Martin Corporation

This interim procedure is provided by Chairman and Chief Executive Officer Daniel M. Tellep and President Norman R. Augustine. This document will provide policy and procedure guidance pending release of a new Lockheed Martin Corporate Policy or Procedure on this subject. Questions should be directed to either Vice President & General Counsel Frank H. Menaker, Jr., or to Vice President & Chief Counsel William T. Vinson.

This procedure contains the following sections:

- A. International Consultant Approval Process
- B. Domestic Business Development Consultants
- Exhibit A - International Consultants Approval Cycle
- Exhibit B - International Consultants - After Approval
- Exhibit C - Domestic Business Development Consultants Review Process

[Click here for general Applicability Statement](#)

A. INTERNATIONAL CONSULTANT APPROVAL PROCESS

The actions required for the appointment or renewal of any international consultant are as follows:

1.0 After a business site or Regional Vice President has identified a proposed consultant, the applicable Regional Vice President will submit a form letter to the applicant for appointment or renewal with the following enclosures:

- - Application form (International Application for Appointment/Renewal of Appointment);
- - Code of Ethics and Standards of Conduct;
- - Consultant orientation form;
- - Disclaimer letter (no work without written contract); and
- - Standard agreement (terms and conditions of generic commission or retainer agreement).

2.0 The Regional Vice President will perform preliminary due diligence by meeting with proposed consultant, visiting the proposed consultant's offices in the country where services would be performed, obtaining a list of references to be checked (preferably other U.S. companies in the same industry) and obtaining a World Traders Data Report (WTDR) from the U.S. Embassy in that country.

3.0 The Regional Vice President will prepare a Recommendation/Assessment/Certification form and will submit it to Corporate Legal with the following:

- - Application form, completed by the proposed consultant;
- - Disclaimer letter, signed by proposed new appointment;
- - Requested information for references; and
- - WTDR (if obtainable directly from the U.S. Embassy in-country).

4.0 The Regional Vice President will obtain on the Recommendation/Assessment/Certification form the signatures of the head(s) of the site(s) involved and the Vice President, International Business Development, signifying their concurrence with the use of the proposed consultant.

5.0 Corporate Legal will perform a full due diligence background check on the applicant, including all of the following:

5.1 Contacting the U.S. Embassy in the foreign country to discuss the WTDR and check the applicant's reputation;

5.2 Obtaining (or updating) an in-country legal opinion confirming that the agreement with the proposed consultant is lawful and that the proposed level of compensation is reasonable;

5.3 Checking listed references and checking with other companies working with the proposed consultant in the same or a related industry as an additional background check and to avoid potential conflicts of interest.

5.4 Personal interview to ensure the proposed consultant's full understanding of, and agreement to comply with, the Corporation's Code of Ethics, FCPA and other applicable U.S. and foreign legal requirements;

5.5 Review and negotiation of the Corporation's standard terms and conditions with the proposed consultant to ensure that no "red flags" exist and to ensure that the proposed terms are within the scope of the Guidelines established by the Consultant Review Committee (CRC);

5.6 Policies and procedures review (confirming that retention of the proposed consultant would be in compliance with the Corporation's policies and procedures);

5.7 Legal compliance review [confirming that retention of the proposed consultant would be in compliance with the FCPA and other applicable U.S. and local law requirements, including disclosure requirements (e.g., ITAR Part 130)]; and

5.8 Integrity evaluation (confirming that the proposed consultant appears to be of high integrity and likely to comply with the requirements of the Code of Ethics).

5.9 Upon satisfactory completion of Corporate Legal due diligence, a proposed consultant agreement which does not exceed the CRC's Guidelines will be forwarded by Corporate Legal to the proposed consultant for signature and, upon return, to the Vice President International Business Development or his designee for execution and appointment of a Contract Monitor.

5.10 Upon satisfactory completion of Corporate Legal due diligence, a proposed consultant agreement which exceeds the CRC's Guidelines will be forwarded by Corporate Legal to the CRC for its review and unanimous approval. In the event such approval is obtained, Corporate Legal will send the proposed agreement to the proposed consultant and follow the procedure outlined in Paragraph 5.9 above.

5.11 In the event that Corporate Legal determines a proposed consultant to be unsatisfactory and the Vice President-International Business Development disagrees, the latter may appeal the decision of Corporate Legal to the CRC.

5.12 Corporate Legal may refer any proposed consultant agreement to the CRC for its review and approval for any reason, in addition to instances in which a proposed consultant agreement exceeds the CRC's Guidelines.

5.13 In addition to its review of proposed consultant agreements under the circumstances outlined above, the CRC also will review all proposed post-award services agreements or subcontracts with consultants, including proposed agreements with consultants to help the Corporation satisfy foreign offset requirements or obligations.

6.0 The CRC will be responsible for:

6.1 Approving the Corporation's policies and procedures with respect to consultants;

6.2 Approving the Corporation's standard terms and conditions for use with all consultants;

6.3 Establishing Guidelines to determine which proposed consultant agreements must be reviewed by the CRC prior to execution by the Vice President-International Business Development;

6.4 Approving or disapproving proposed consultant agreements which exceed the Guidelines or which are brought to it by the Corporate Legal Department or on appeal by the Vice President-International Business Development; and

6.5 Approving or disapproving all proposed post-award services agreements or subcontracts with consultants as described in Paragraph 5.13 above.

7.0 The CRC will be composed of the Corporation's Chief Financial Officer, Vice President and General Counsel and Vice President-Domestic Business Development. A Sector President will participate on a rotating basis as a voting member of the CRC in reviewing all proposed post-award services agreements or subcontracts with consultants. All decisions of the CRC will be unanimous.

8.0 The entire International Consultant approval process as described above will be subject to audit by the Vice President-Internal Audit at least once annually.

B. DOMESTIC BUSINESS DEVELOPMENT CONSULTANTS

1.0 Attached is a chart (Exhibit C - Domestic Business Development Consultants Review Process) that describes Lockheed Martin's review and control procedures for Domestic Business Development Consultants (DBDC), their selection, contract and approval. In brief, a DBDC is an independent contractor who furnishes to Lockheed Martin or a Lockheed Martin entity professional advice relating to business development or legislative issues. DBDC will or can be expected to deal with federal, state or local officials and legislators and commercial customers. Lockheed Martin's DBDC policy and controls do not cover Government Proposal Consultants who do not deal with federal, state or local government officials or customers; nor do they cover subcontractors under prime contracts, management service firm such as accountants and appraisers, investment bankers and lawyers; and firms that furnish temporary personnel assistance.

2.0 Lockheed Martin's policy is to comply with applicable law, regulation, and its best business practices in retaining DBDC, and to use DBDC as appropriate and necessary to supplement its internal capabilities.

3.0 Our controls include:

3.1 Identification of requirements for DBDC;

3.2 Due diligence to ascertain the DBDC's integrity and business;

3.3 Recommendations for approval or disapproval;

3.4 Company and Sector counsel review and approval or disapproval based on compliance with applicable laws and regulations and Lockheed Martin best business practices and policies;

3.5 Approvals or disapprovals, as appropriate, for legislative consultants by Vice President-Washington Area; by Vice President Human Resources where a former Company officer or employee is retained; and thereafter for the approval or disapproval by the Vice President-Domestic Business Development;

3.6 Prior to contract execution by the authorized Lockheed Martin Officer, Company Counsel shall approve or disapprove the contract and assure that applicable laws and regulations and prescribed internal controls have been followed; and

3.7 No payments shall be made and no work for Lockheed Martin shall be done by any DBDC until a written and approved agreement has been executed by Lockheed Martin and the DBDC. All payments shall be made by check or wire transfer to an account in the United States in the name of the DBDC.

4.0 A detailed corporate policy on Consultants will be issued in the near future.

Exhibit A - International Consultants Approval Cycle

Exhibit B - International Consultants - After Approval

Exhibit C - Domestic Business Development Consultants Review Process

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In accordance with Rule 304 of Regulation S-T, Exhibits A, B and C referenced above which appear as flow charts in the paper version of the document are omitted and in their place is included a narrative and tabular presentation, which the registrant believes to be fair and accurate, of the material omitted.

Exhibit A - International Consultants Approval Cycle

- STEP 1. Company/International Marketing - Identify Requirement:
- o Provide basis for Request (Business)
 - o Preliminary Due Diligence
 - Application for Appointment/Renewal - includes requirement to accept LM code of conduct
 - References
 - Disclaimer Letter (no work without written contract)
 - World Traders Data Report (WTDR)
 - Compensation Review
 - Meeting with proposed Consultant
 - Provide copy of Standard Agreement (Terms and Conditions)
 - o Endorse for further action by completing Recommendations/Assessment/Certification Form
- STEP 2. Corporate Regional VP - Approve
- STEP 3. VP-International Business Development - Approve
- o Forwards to Corporate Legal
- STEP 4. Corporate Legal (International Practices and Compliance - Recommend Approve/Disapprove:
- o Full Corporate Legal Due Diligence
 - Embassy check
 - Personal interview
 - Policies and Procedures Review
 - Obtain in-country legal opinion
 - Legal Compliance Review (FCPA and local requirements)
 - Integrity evaluation
- STEP 5. Consultant Review Committee (CRC) - Establish Policy; Approve/Disapprove**
- o Members
 - CFO
 - VP-General Counsel
 - VP-Domestic Business Development
 - Executive Director (non-voting)
 - VP-Sector President (no conflict) (rotational basis)
 - o Mandatory Reviews
 - VP-Int'l Business Development Appeal
 - Agreements exceeding guidelines
 - Agreements legal asks to be reviewed
 - Post-award services agreements with Consultants
- STEP 6. VP-International Business Development - Execute Agreement and Appoint Monitor

* Entire process is subject to audit at least once annually

** Approval by CRC must be unanimous

*** Mandatory review of discretionary referrals by Corporate Legal and/or Appeals by VP International Business Development and certain other items.

Exhibit B - International Consultants - After Approval

- STEP 1. VP-International Business Development:
 - Execute Agreement and Appoint Monitor.

- STEP 2. Monitor:
 - o Provides Consultant oversight
 - o Requests payment
 - o Verifies compliance with agreement
 - o Verifies services rendered

- STEP 3. International & Domestic Policies & Compliance (Legal):
 - o Reviews transaction
 - o Assign account
 - o Approve payment
 - o Maintain database
 - o Generate reports
 - o Payment authorized
 - o Continuing due diligence interviews on two-year cycle by Corporate Legal

- STEP 4. Corporate/Company Finance:
 - o Verifies compliance with agreement
 - o Determines allowability and allocability of costs
 - o Payment

- STEP 5. Sunset or Renewal (2 years):
 - o Renewal triggers process

Exhibit C - Domestic Business Development Consultants Review Process

- STEP 1. Company/Corporation - Identify Requirements:
Due Diligence
- o Personal interview
 - o References
 - o Acceptance of LM Code of Conduct, Ethics Policies, and Selected Policies
 - o Recommend Responsible Individual
- STEP 2. Company Legal (in coordination with Sector Legal) - Approve-Disapprove:
- o Determines legality of retaining Consultant (in view of applicable laws)
 - o Determines compliance with company policies & procedures
- STEP 3. Legislative - VP Washington Operations: Approve-Disapprove
Former Officer/Former Employee on Retainer - VP Human Resources: Approve-Disapprove
Other - Send directly to VP Domestic Business Development
- STEP 4. VP Domestic Business Development - Approve/Disapprove;
Forward for Execution:
- o Redundancy & Appropriateness
 - o Compensation Review
 - o Background check
- STEP 5. Company Legal - Approve-Disapprove:
- o Prepare standard Consultant contract & arrange for its execution
 - o Prepare Consultant Data Form (fact sheet detailing the transaction)
 - o Forward copy to local Accounts payable and Legal to retain copy
 - o Ensure that Consultant receives required Ethics briefing
 - o Verify acceptance of LM Code of Conduct, Ethics & Selected Policies
- STEP 6. Company Officer - Execute
- o Assign responsible Contract Monitor
 - o Data provided to Administrative Office, Corporate Headquarters