

INTERDEPARTMENTAL COMMUNICATION

TO: IAM&AW Hourly Employees Date: March 3, 2008  
FROM: Payroll Services D/F10M Z/0277 Ext. 4-3339  
SUBJECT: 2008 RATIFICATION BONUS

The IAM&AW, Local Lodges 709, 1027 & 2386 hourly represented employees who are actively on the payroll as of March 3, 2008, or on an approved leave of absence of less than one (1) year, or on military leave have the option of depositing their Ratification Bonus into the Hourly Savings Plan Plus in lieu of receiving a cash bonus payment.

If you elect this option, you must deposit the entire amount of the 2008 Ratification Bonus, less FICA (OASDI & MED) taxes, into the Hourly Savings Plan Plus as a pre-tax contribution to the Plan. While the 2008 Ratification Bonus is not matched by Company contributions, employees who choose this option will defer taxes on payments since the amounts are excluded from their 2008 W-2 gross earnings.

To exercise this option, complete and return this form to the Payroll Service window in B-95 between 6:30 a.m. to 3:30 p.m. Monday through Thursday. From the main lobby on the north side of B-95, exit right and turn left at the first hallway. The service window is immediately on the right through the double doors (D/F10M, Z/0277). **Completed forms must be received no later than 3:30 p.m., Wednesday, March 12, 2008. Faxes will be accepted on extension 4-5265.**

---

---

Name: \_\_\_\_\_ Employee Badge No: \_\_\_\_\_  
Please Print  
LMP No: \_\_\_\_\_

By signing and returning this form by the due date, I elect to have my 2008 Ratification Bonus deposited to my 401K Plan. I understand that making this election means that I will NOT receive a Ratification Bonus check. Instead, the money I would have received will be placed in my Hourly Employee Savings Plan Plus account subject to the following provisions:

1. Will not be matched by the Lockheed Martin Corporation.
2. Will be subject to the withdrawal provisions of the Plan.
3. Will be for the total amount of the Ratification Bonus less applicable FICA taxes.
4. Will be a pre-tax contribution to the Plan.
5. Is an irrevocable election.

This elective contribution will be invested according to your future investment elections at the time the payment posts to your account. If this is your first contribution to the plan and/or you do not have future investment elections on file at CitiStreet, you must call the Information Line at 1-800-444-4015 before March 12, 2008 to select your future investment elections. If you do not select future investment elections, your Ratification Bonus will default to the Stable Value Fund.

Signed: \_\_\_\_\_ Date: \_\_\_\_\_

**If an employee does not wish to deposit the 2008 Ratification Bonus into the Hourly Savings Plan Plus, no action is necessary.**