

under this subsection would unduly complicate or prolong the sentencing process.

The parties agree that a review of all the evidence would result in a determination that the gross gain to Lockheed was twelve million four hundred thousand dollars (\$12,400,000), thus resulting in a maximum alternative fine under 18 U.S.C. § 3571(d) of twenty-four million eight hundred thousand dollars (\$24,800,000).

3. The United States Attorneys Office for the Northern District of Georgia and Lockheed have agreed to recommend to the Court that a proper disposition of this matter is the payment by Lockheed of twenty-four million eight hundred thousand dollars (\$24,800,000), of which three million dollars (\$3,000,000) is the amount of Lockheed's civil settlement with the United States. Accordingly, Lockheed agrees to pay a criminal fine in the amount of twenty-one million eight hundred thousand dollars (\$21,800,000) to be paid within 7 days of the entry of the Judgment of Conviction. Lockheed also agrees to pay the assessment of \$200 as required by 18 U.S.C. § 3013(a)(2)(B).

4. Provided the sentence imposed in this case does not exceed the recommendation set forth in paragraph 3 herein, Lockheed waives its right to appeal the sentence imposed, to challenge that sentence in any collateral proceeding, or to seek reduction of the sentence under Rule 35 of the Federal Rules of Criminal Procedure.

5. Conditioned on Lockheed's compliance with all terms of this Plea Agreement, the United States agrees that it will not

prosecute any other criminal charges against Lockheed Corporation for any matter relating to the contract between Lockheed Corporation and the Arab Republic of Egypt, entitled Cairo/AF/GLX-798/C-130/89/1 (hereinafter, "The Contract"), and Lockheed's use of Dr. Leila I. Takla, Dr. Leila Takla, Incorporated (hereinafter, "Takla, Inc.") and Sphinx Management Services, Limited as consultants.

6. The Criminal Division of the Office of United States Attorney for the Northern District of Georgia acknowledges that Lockheed has fully cooperated with the government's investigation of the activities concerning this Plea Agreement. Lockheed agrees that it shall continue to cooperate with the government's investigation of the activities concerning this Plea Agreement.

7. The provisions of this Plea Agreement shall be binding only upon the parties to it and upon their successors and assigns. The provisions of this Plea Agreement shall not bind any other department or agency of the United States of America.

8. Each person who signs this Plea Agreement in a representative capacity warrants that he or she is duly authorized to do so.

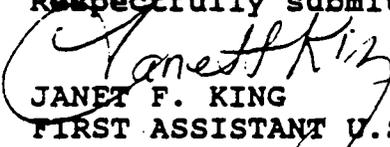
9. This Plea Agreement shall become effective upon the latter date of its acceptance by the Court and the execution by Lockheed and the United States of the Civil Settlement Agreement attached hereto as Exhibit B.

10. This Plea Agreement may be executed in more than one counterpart, each of which shall constitute an original and all of which shall constitute one and the same Agreement.

11. This Plea Agreement may not be altered, amended, modified or otherwise changed except by a writing duly executed by each of the parties.

12. No additional promises, agreements, or conditions other than those referenced in this Plea Agreement will be entered unless in writing and signed by all parties.

Respectfully submitted,


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