

**MARTIN MARIETTA CORPORATION**

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April 14, 1994

Mr. Mohamed M. Shanbaky  
United States Nuclear Regulatory Commission  
Region I  
475 Allendale Road  
King of Prussia PA 19406-1415

Re: NRC Licenses Nos. SUB-831, 37-02006-05, and 37-02006-09 issued to Martin Marietta Corporation

Dear Mr. Shanbaky:

This letter provides information regarding the transaction on March 15, 1995, which resulted in Martin Marietta Corporation becoming a wholly owned subsidiary of the newly created Lockheed Martin Corporation. As set forth below, it is our belief that the transaction involved no transfer of control of the above-referenced NRC licenses to "another person" within the purview of 10 CFR 30.34(b), 40.46, or 70.36. The essential features of the Lockheed-Martin merger are stated in the attached summary page of the Joint Proxy Statement issued by both companies prior to the transaction and can be summarized as follows:

As a result of the transaction, both Martin Marietta Corporation and Lockheed Corporation have continued in existence as separate corporate entities. Each has retained the name and the legal identity it had prior to the transaction.

All the stock of Martin Marietta Corporation and all the stock of Lockheed Corporation is now held by the new parent corporation, Lockheed Martin Corporation. This was accomplished by the former shareholders of Martin Marietta Corporation and Lockheed Corporation exchanging their stock for stock of the newly created Lockheed Martin Corporation. No operating assets relating to NRC-licensed activities were transferred from or to Martin Marietta Corporation as a result of the transaction.

Martin Marietta Corporation continues as the entity in possession and control of all facilities conducting licensed activities under the referenced NRC licenses. Management and staff responsible for management oversight, control, and radiological safety of licensed materials remain unchanged. Martin Marietta Corporation continues to maintain a self-guarantee of availability of funds for decommissioning costs, pursuant to 10 CFR Part 30, Appendix C.

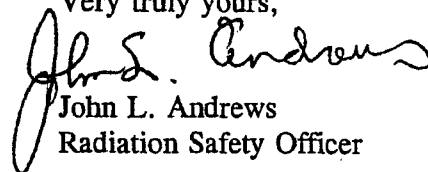
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in accordance with the Freedom of Information  
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Because Martin Marietta Corporation will continue in existence under the same name and will continue to retain control of the referenced NRC licenses, it is our position that the March 15, 1995, merger involved no transfer, assignment, transfer of control, or disposal of such licenses, or any right under such licenses, requiring the submission of information pursuant to 10 CFR 30.34(b). It is also our position that no changes in the licensee's legal identity, personnel, and operations have occurred which would require a license amendment.

Thank you for your attention to this matter. If you require further information regarding the transaction discussed above, please let me know.

Very truly yours,

  
John L. Andrews  
Radiation Safety Officer

Enclosure

cc: S. J. Mucha, M.D.  
M. West  
David R. Moffitt, Esquire

## JOINT PROXY STATEMENT

For Special Meetings of Stockholders  
to be held March 15, 1995

LOCKHEED MARTIN CORPORATION  
PROSPECTUS

This Joint Proxy Statement/Prospectus is being furnished to holders of common stock of Lockheed Corporation, a Delaware corporation ("Lockheed"), and holders of common stock and preferred stock of Martin Marietta Corporation, a Maryland corporation ("Martin Marietta"), in connection with the solicitation of proxies by the respective Boards of Directors of Lockheed and Martin Marietta for use at their respective special meetings of stockholders, or any adjournment or postponement thereof (together, the "Special Meetings"), called to consider and vote upon a proposal (the "Combination Proposal") to approve and adopt an Agreement and Plan of Reorganization, dated as of August 29, 1994, by and among Lockheed, Martin Marietta and Lockheed Martin Corporation, a Maryland corporation ("Lockheed Martin"), as amended as of February 7, 1995 (the "Reorganization Agreement"), and the merger agreements contemplated thereby. The combination of the businesses of Lockheed and Martin Marietta contemplated by the Combination Proposal is referred to herein as the "Combination." At the Special Meetings, holders of common stock of Lockheed and Martin Marietta also will be asked to consider and vote upon a separate proposal (the "Omnibus Plan Proposal") to approve the adoption of the Lockheed Martin 1995 Omnibus Performance Award Plan (the "Lockheed Martin Omnibus Plan") and another separate proposal (the "Directors Plan Proposal" and, with the Omnibus Plan Proposal, the "Plan Proposals") to approve the adoption of the Lockheed Martin Directors Deferred Stock Plan (the "Lockheed Martin Directors Plan").

The Reorganization Agreement provides, among other things, for (a) the merger of Atlantic Sub, Inc., a Maryland corporation and wholly owned subsidiary of Lockheed Martin ("Atlantic Sub"), with and into Martin Marietta (the "Atlantic Sub Merger") pursuant to a Plan and Agreement of Merger, dated as of August 29, 1994 (the "Atlantic Merger Agreement"), among Martin Marietta, Atlantic Sub and Lockheed Martin, and (b) the merger of Pacific Sub, Inc., a Delaware corporation and a wholly owned subsidiary of Lockheed Martin ("Pacific Sub"), with and into Lockheed pursuant to a Plan and Agreement of Merger, dated as of August 29, 1994 (the "Pacific Merger Agreement"), among Lockheed, Pacific Sub and Lockheed Martin (the "Pacific Sub Merger" and together with the Atlantic Sub Merger, the "Mergers"). As a result of the Combination, each of Lockheed and Martin Marietta will become a wholly owned subsidiary of Lockheed Martin and stockholders of Lockheed and Martin Marietta will become stockholders of Lockheed Martin on the terms described in this Joint Proxy Statement/Prospectus. The Combination will be accomplished pursuant to the Mergers. The Mergers will become effective pursuant to the filing of Articles of Merger with the Department of Assessments and Taxation of the State of Maryland and the filing of a Certificate of Merger with the Secretary of State of the State of Delaware (the date on which the Mergers are to become effective being herein referred to as the "Merger Date"), which is currently expected to occur shortly after the Special Meetings if the Combination Proposal is approved and adopted by the requisite vote of the respective stockholders of Lockheed and Martin Marietta, and after receipt of requisite regulatory approvals. See "THE COMBINATION" and "THE REORGANIZATION AGREEMENT."

Lockheed Martin has filed a registration statement on Form S-4 (together with all amendments, exhibits and schedules thereto, the "Registration Statement") under the Securities Act of 1933, as amended (the "Act"), relating to shares of Lockheed Martin Common Stock, par value \$1.00 per share (the "Lockheed Martin Common Stock"), that are proposed to be issued in connection with the Combination to holders of outstanding shares of Lockheed Common Stock, par value \$1.00 per share (the "Lockheed Common Stock"), and to holders of outstanding shares of Martin Marietta Common Stock, par value \$1.00 per share (the "Martin Marietta Common Stock"). This Joint Proxy Statement/Prospectus also constitutes the Prospectus of Lockheed Martin filed as part of the Registration Statement.

This Joint Proxy Statement/Prospectus and the accompanying form of proxy are first being mailed to the respective stockholders of Lockheed and Martin Marietta on or about February 11, 1995.

**THE SECURITIES TO BE ISSUED PURSUANT TO THIS JOINT PROXY STATEMENT/PROSPECTUS HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION NOR HAS THE COMMISSION OR ANY STATE SECURITIES COMMISSION PASSED UPON THE ACCURACY OR ADEQUACY OF THIS JOINT PROXY STATEMENT/PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.**

This Joint Proxy Statement/Prospectus does not cover any resales of the Lockheed Martin Common Stock or Lockheed Martin Series A Preferred Stock, par value \$1.00 per share (the "Lockheed Martin Series A Preferred Stock"), to be received by the stockholders of Lockheed or Martin Marietta upon consummation of the Combination, and no person is authorized to make any use of this Joint Proxy Statement/Prospectus in connection with any such resale.

The date of this Joint Proxy Statement/Prospectus is February 9, 1995.

Self-Guarantee of Martin Marietta Corporation

License Nos.                   37-02006-05  
                                  SUB-831  
                                  37-02006-09  
Docket Nos.                   030-06046  
                                  040-07344  
                                  030-12894  
Control Nos.                   113059  
                                  113058  
                                  Not available

Martin Marietta Corporation (hereinafter, "Licensee"), licensee of the above referenced Licenses issued by the U. S. Nuclear Regulatory Commission (hereinafter, "Commission"), in order to provide reasonable assurance of the availability of funds for decommissioning of facilities utilized pursuant to the referenced licenses, hereby guarantees to the Commission that funds will be available for decommissioning costs in the amount of \$230,000, as detailed in the Decommissioning Funding plan for the facilities, (Attachment 1 hereto) and as evidenced by the demonstration (Attachment 2 hereto) that the Licensee satisfies the financial test of Section II, Appendix C to 40 C. F. R. Part 30.

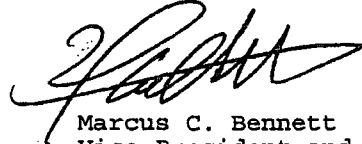
As further required by 10 C. F. R. Part 30, Appendix C, Licensee agrees:

- A. This guarantee will remain in force unless Licensee sends notice of cancellation by certified mail to the Commission. Cancellation may not occur, however, during the 120 days beginning on the date of receipt of the notice of cancellation by the Commission, as evidenced by the return receipt.
- B. Licensee shall provide alternative financial assurance as specified in the Commission's regulations within 90 days following receipt by the Commission of a notice of cancellation of the guarantee.
- C. The guarantee and financial test provisions must remain in effect until the Commission has terminated the license or until another financial assurance method acceptable to the commission has been put in effect by Licensee.
- D. Licensee will promptly forward to the Commission and Licensee's independent auditor all reports covering the latest financial year filed by the licensee\* with the Securities and Exchange Commission pursuant to the requirements of Section 13 of the Securities and Exchange Act of 1934.
- E. If, at any time, Licensee's most recent bond issuance ceases to be rated in any category of "A" or above by either Standard and Poor's or Moody's, Licensee will provide notice in writing of such fact to the Commission within 20 days after publication of the change by the rating service. If Licensee's most recent bond issuance ceases to be rated in any category of A or above by both Standard and Poor's and Moody's, Licensee no longer meets the requirements of Section II.A of this appendix.

\* 1993 Annual Report appended.

F. When required by regulation or order of the Commission, Licensee will fund and carry out required decommissioning activities, or Licensee will set up and fund a trust in the amount of the current cost estimates for decommissioning, upon issuance of an order by the Commission to do so.

Agreed to this 26th day of April, 1994



Marcus C. Bennett  
Vice President and  
Chief Financial Officer

Table 1 Radioactive Materials and Estimated Decommissioning Costs (\$)

Rad. Mat'l	Isotope /	NRC License #			*: Notes
Item	Activity (Curies)	SUB 831	37-	37-	
			02006-05	02006-09	
Decommissioning Costs					
A	Am241 / 1.0		160,000		
B	Sr90 / 10.0		3,700		
C	Sr90 / 0.1		1,500		
D	Pu239 / 5 micro		5,000		
E	Pu238 / 0.09		15,000		
F	Co60 / 0.016		1,500		
G	Various / < 0.001		1,000		Density gauge and instrument calibration sources.
H	Kr85 / 0				Transferred in 1992.
I	Cs137 / 0.1 nano		*see note.		DOD/DNA property; transfer in process.
J	Co60 / (b)(4) <i>GH</i>			25,000	Two Gammacells
K	Depleted U (DU) / < 10 micro	2,000			Urethane resin with DU as a filler (250 cc).
L	U235 / 0				Container tag marking was in error; see item 'O' for contents.
M	Th232 / 0.0063	*see note.			USAF property (form is MgTh plates); transfer in process.
N	Various / 0				Decontamination of Room U8604 completed (1/94).
O (new)	U / approx. 45 lbs	2,000			Covered metal pail marked as item 'L' has 2 bags of low enrichment U dioxide.
P (new)	Kr85 / 0.66		1,500		Activity as of 1/94.
Q (new)	Depleted U / < 0.1	*see note.			Two items of DOE property on short term loan from Sandia and Los Alamos.
R (new)	Th232 / approx. 0.003	*see note.			USAF property (MgTh) in multiple spacecraft ready for shipment.
S (new)	Various / < 1 milli		500		Waste, to be removed in 1994.
<b>SUBTOTALS</b>		<b>4,000</b>	<b>189,700</b>	<b>25,000</b>	<b>218,700</b>
<b>Administration (See text).</b>					<b>11,300</b>
<b>TOTAL</b>					<b>230,000</b>

License Nos. 37-02006-05  
SUB-831  
37-02006-09  
Docket Nos. 030-06046  
040-07344  
030-12894  
Control Nos. 113059  
113058  
Not available

Attachment 2 to Self-Guarantee of Martin Marietta Corporation  
Demonstration that Company Passes Financial Test of Part 30, Appendix C

A. To pass the financial test, a company must meet all of the following criteria:

(1) Tangible net worth at least 10 times the total current decommissioning cost estimate (or the current amount required if certification is used) for all decommissioning activities for which the company is responsible as self-guaranteeing licensee and as parent-guarantor.

Tangible net worth of Martin Marietta Corporation \$186,345,000

Total current decommissioning estimate per Attachment 1 \$ 230,000

Tangible net worth exceeds 10 Times the total current decommissioning estimate.

(2) Assets located in the United States amounting to at least 90 percent of total assets or at least 10 times the total current decommissioning cost estimate (or the current amount required if certification is used) for all decommissioning activities for which the company is responsible as self-guaranteeing licensee and as parent-guarantor.

The Corporation certifies that over 90% of its total assets (\$7.7 Billion at December 31, 1993) are located in the United States and that these assets exceed the total current decommissioning cost estimate as disclosed in Attachment 1.

(3) A current rating for its most recent bond issuance of AAA, AA or A as issued by Standard and Poor's (S&P), or Aaa, Aa, or A as issued by Moody's.

The Corporation's most recent bond issue, dated April 25, 1993 was rated "A" by Standard and Poor's.

B. To pass the financial test, a company must meet all of the following additional requirements.

(1) The company must have at least one class of equity securities registered under the Securities Exchange Act of 1934.

The Corporation's equity securities are registered under the Securities Exchange Act of 1934.

## Report Of Independent Auditors

### Martin Marietta Corporation

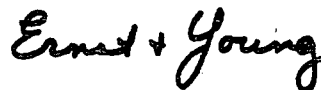
We have audited the balance sheet of Martin Marietta Corporation and consolidated subsidiaries as of December 31, 1993, and the related statements of earnings, shareowners' equity, and cash flows for the year then ended, and have issued our report thereon dated January 21, 1994. These financial statements are the responsibility of the Corporation's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

We have read "Attachment 2 to Self-Guarantee of Martin Marietta Corporation" prepared by the Corporation in connection with its Financial Assurance Submission. We have compared the amount for Item A1 appearing therein with the amount derived from the Corporation's consolidated financial statements for the year ended December 31, 1993. We have reviewed the Corporation's balance sheet to determine whether 90% or more of the consolidated assets are located in the United States and, therefore, the response to Item A2 is appropriate.

Because the above procedures do not constitute an audit made in accordance with generally accepted auditing standards, we do not express an opinion on the specified information referred to above. In connection with the procedures referred to above, no matters came to our attention that caused us to believe the specified information should be adjusted.

This letter is furnished solely to assist the Corporation in fulfilling its 1994 Financial Assurance Submission and is not to be used for any other purpose.



March 24, 1994