

**PRINT FIRST PAGE ON COMPANY LETTERHEAD**

Letterhead must include company name, address, phone number, and website address. If the company does not have a website, write "no website".

Questionnaire Pertaining to Foreign Interest

**STATEMENT OF AFFILIATION**

Name of Offeror: \_\_\_\_\_

Cage Code: \_\_\_\_\_

Address: \_\_\_\_\_

Phone Number: \_\_\_\_\_

1. Does the offeror hold an active DoD Facility Security Clearance (FSC)? Yes\_\_\_No\_\_\_

(Answer "No" if the clearance was issued under a Special Security Agreement or a Security Control Agreement (see DoD5220.00-M sec. 2-306).

2. At any time within the calendar year preceding the due date for this proposal, has the contractor submitted to the National Security Agency (NSA) a completed Statement of Affiliation set forth below?

Yes\_\_\_No\_\_\_

If the Offeror answered "No", the contractor must complete the Statement of Affiliation form and submit it to NSA through the USACE.

If the Offeror answered "Yes", does the contractor state that all the information on the previously submitted form is correct?

Yes\_\_\_ No\_\_\_

If the Offeror answered "Yes", submit a copy of the previous Statement of Affiliation. If the Offeror answered "No", the Offeror must update the Statement of Affiliation and provide a copy to NSA through the USACE.

## STATEMENT OF AFFILIATION

For the purpose of this form, a foreign interest is defined as any of the following:

1. A foreign government or foreign government agency;
2. Any form of business enterprise or legal entity organized, chartered or incorporated under the laws of any country other than the United States or its possessions;
3. Any individual who is not a U.S. citizen; or
4. Any form of business enterprise organized or incorporated under the laws of the U.S., or a State or other jurisdiction within the U.S. that is owned, controlled or influenced by one of the entities described in 1, 2 or 3, above.

**1. (Answer both 1a. and 1b. below)**

- a) (For entities which issue stock) Does a foreign interest own, or have beneficial ownership in 5% or more of your organization's equity securities? **Yes**\_\_\_ **No**\_\_\_

If yes:

- i. Identify the percentage of any class of stock or other securities issued, which are owned by foreign interests, broken down by country. Include indirect ownership through one or more intermediate level(s) of subsidiaries. Indicate voting of each class of stock.
- ii. Are there shareholder agreements? If yes, attach a copy (or copies), and if none, so state.
- iii. Indicate whether a copy of SEC Schedule 13D/13G report has been received from any investor. If yes, attach a copy (or copies).

NOTE: Ownership of less than 5% should be included if the holder is entitled to control the appointment and tenure of any management position.

- b) (For entities which do not issue stock) Has a foreign interest subscribed 5% or more of your organization's total capital commitment? **Yes**\_\_\_ **No**\_\_\_

If yes:

- i. Identify the percentage of total capital commitment that is subscribed by foreign interest.
- ii. Is there an agreement(s) with the subscriber(s)? If yes, attach a copy (or copies), and if none, so state.

- 2. Does your organization directly or indirectly through your subsidiaries or affiliated, own 10% or more of any foreign interest? Yes\_\_\_ No\_\_\_**

If yes:

- i. Identify the foreign interest by name, country, percentage owned and individuals who occupy management positions with the organizations.
- ii. If there are individuals from your organization who occupy management positions with the foreign interest, identify the names(s), title and extent of involvement in the operations of the organizations (to include access to classified information).

- 3. Do any foreign interest serve as members of your organization's board of directors (or similar governing body), or as officers, executive personnel, general partners, regents, trustees or senior management officials of your organization? Yes\_\_\_ No\_\_\_**

If yes:

- i. Identify the foreign interest by name, title, citizenship, immigration status and clearance or exclusion status.
- ii. Attach copies of applicable by-laws or articles of incorporation, which describe the affected position(s). However, if you have already provided such copies to INSCOM, so state.

- 4. Does any foreign interest have the power, direct or indirect, to control the election, appointment, or tenure of members of your organization's board of directors (or similar governing body) or other management positions of your organization, or have the power to control or influence other decisions or activities of your organization? Yes\_\_\_ No\_\_\_**

If yes:

- i. Identify the foreign interest by name, title, citizenship and all details concerning the control or influences.

NOTE: If any foreign interest has such power, this question shall be answered in the affirmative even if such power has not been exercised. Also, state whether or not it can be exercised through ownership of your organization's securities or if such power may be invoked by contractual arrangements or by other means.

**5. Does your organization have any contracts, agreements, understandings or arrangements with a foreign interest(s) that cumulatively represent 10% or more of your organization's annual gross income? Yes \_\_\_ No \_\_\_**

If yes:

- i. For each instance, provide the name of the foreign interest, country, percentage of gross income derived and nature of involvement including:
  - (a) Whether defense/nuclear related or not
  - (b) Involvement with classified or export controlled technology
  - (c) Compliance with export control requirement

Where the organization has a number of involvements and where these involvements are not defense/nuclear related and represent a small percentage of gross income less than 5%, the explanations can be generalized statement addressing the totals by country.

NOTE: We do not expect and will not require the contractor to ask every customer if he/she falls within the definition of a foreign interest. We will ask the customer to provide ongoing security education to those individuals who negotiate and/or administer such agreements regarding their responsibilities to report agreement with a foreign interest to the best of their knowledge. The contractor shall state the response to this question to "the best of his/her knowledge" or "through his/her best efforts".

For this procurement, provide name and corporate addresses of all vendors from which you will acquire components or parts to be integrated into the end item. For each vendor listed that is a foreign interest or controlled by a foreign interest, state the nature of the foreign interest.

**6. Does your organization, whether as borrower, surety, and guarantor or otherwise, have any indebtedness, liabilities or obligations to a foreign interest? Yes \_\_\_ No \_\_\_**

If yes:

- i. Provide your overall debt-to-equity ratio in percentage.
- ii. With respect to indebtedness or liability to a foreign interest indicate to whom indebted or liable, what collateral has been furnished or pledged, and any conditions or covenants of the loan agreement. If stock or assets have been furnished or pledged as collateral, provide a copy of the loan agreement or pertinent extracts thereof (to include procedures to be followed in the event of default).
- iii. If any debentures are convertible, provide specifics.
- iv. If loan payments are in default, provide details.
- v. This question should be answered in the affirmative if the debt is with a U.S. entity that is owned or controlled either directly or indirectly by a foreign interest. If unknown, so state.

NOTE: As stated above, we do not expect and will not require that the contractor to ask every lender if he/she qualifies as a foreign interest. We will ask the contractor to provide ongoing security education to those employees who handle lending

arrangements regarding their responsibilities to report any such arrangements with a foreign interest lender, to the best of their knowledge. The contractor shall state the response to this question as being to “the best of his/her knowledge” or “through his/her best efforts”.

**7. During your last fiscal year, did your organization divide? (Must provide response for both question a. and b. below)**

- a. 5% or more of its total revenues or net income from any single foreign interest?  
**Yes**\_\_\_ **No**\_\_\_
- b. In the aggregate 30% or more of its total revenues or net income from foreign interest?  
**Yes**\_\_\_ **No**\_\_\_

If yes to either part of the question:

- i. Provide overall percentage of income derived from foreign interest by country, nature of involvement and type or services or products.
- ii. Indicate if any single foreign interest represents in excess of 5% of total revenue or net income.
- iii. Indicate whether any classified information is involved.
- iv. State whether facility is in compliance with applicable export control requirements.

NOTE: As stated above, we do not expect and will not require that the contractor is to ask every revenue source if he/she qualifies as a foreign interest. We will ask the contractor to provide ongoing security education to those employees who handle sales contracts regarding their responsibilities to report any such arrangements with a foreign interest lender, to the best of their knowledge. The contractor shall state the response to this question as being to “the best of his/her knowledge” or “through his/her best efforts”.

**8. Is 10% or more of any class of your organization’s voting securities held in “nominee” shares, in “street names” or by some other method that does not identify the beneficial owner? Yes**\_\_\_ **No**\_\_\_

If yes:

- i. Identify each foreign institutional investor holding 10% or more of the voting stock by name and address and the percentage of stock held.
- ii. Indicate whether any investor has attempted to, or has exerted any control or influence over appointment to management positions or influenced the policies of the organization.
- iii. Include copies of SEC Schedule 13D/13G.

9. **Do any of the members of your organization's board of director (or similar governing body), or officers, executive personnel, general partners, regents, trustees or senior management officials of your organization hold any positions with, or serve as consultants for, any foreign interest? Yes \_\_\_ No \_\_\_**

If yes:

- i. Provide the name, title, citizenship, immigration status and clearance or exclusion status on all such persons.
- ii. Identify by name and addresses each foreign interest with which such persons serve and indicate the capacity in which he/she is serving.
- iii. Include a Statement of Full Disclosure of Foreign Affiliations for every cleared individual who is representative of a foreign interest.

10. **Is there any other factor that indicates or demonstrates a capability of a foreign interest to control or influence the operations or management of your organization? Yes \_\_\_ No \_\_\_**

If yes:

Describe the foreign involvement in detail, including why the involvement would not be reportable in the preceding questions.

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Signature

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Printed Name

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Title (Must be signed by a senior official of the company)

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Date

## **Mitigation Strategy Requirements**

If “Yes” is answered to any of the questions (no. 1 through no. 10) listed in the SOA, a mitigation strategy is required to be submitted that includes the following:

- a. A company interested in competing for construction projects shall provide a written statement where it agrees to not release any program material or information to foreign parent companies, partners, subsidiaries, consultants, etc. or representatives of a foreign government/interest (does not include financial information, schedule or resource requirements to parent company) without the express authorization of the U.S. Government. Requests to release information shall be submitted to the U.S. Government 30 days in advance of the requested release date.
- b. The company statement must be on company letterhead signed by the president or most senior executive officer of the company, an executive of the foreign parent company (if the foreign parent has controlling interest in the company) and the prime contractor.
- c. The company shall acknowledge that the company understands that any violation of this agreement will be evaluated by the Government and may adversely impact on their ability to be awarded any portion of the contract or to perform work on the contract after award.
- d. The contractor shall submit an attachment to the letter outlining how they will ensure program material is not released to unauthorized personnel or firms. These procedures shall address, at a minimum, internal processes implemented to prevent visual, verbal, hardcopy or softcopy transfer of program material or information to unauthorized personnel. These procedures must be approved by the U.S. Government before the contractor will be considered eligible to access program material or work on the contract.