

NOTICE OF MODIFICATION OF QUALIFIED ANTI-TERRORISM TECHNOLOGY

It is important and required that the Department be informed of any significant modifications that the Seller makes or intends to make to a Qualified Anti-Terrorism Technology (QATT). A significant modification is one that is outside the scope of a Designation or Certification. Immaterial or routine modifications that are within the scope of the Designation do not require notice. It is important, however, and required, that the Department be informed of any significant modifications that the Seller makes or intends to make to a QATT. The SAFETY Act final rule modified the procedure for Sellers to notify the Department of modifications or proposed modifications to a QATT and for the Department to respond quickly to such notifications with appropriate instructions for the Seller. Whether notice to the Department is required for a change to a particular QATT will depend on the specific nature of the QATT and the terms of the Designation or Certification applicable to the QATT. If notice of a modification is required, review of the notice will also be undertaken in a reasonable time. If the Department does not take action in response to the notice, SAFETY Act coverage of the Technology as modified will be conclusively established. If the Department ultimately does not approve of the proposed changes, it will so notify the Seller and may discuss possible remedial action to address the Department's concerns or take other appropriate action at the discretion of the Under Secretary, as provided in section 25.6(l) of the final rule. In no event will a Designation terminate automatically or retroactively under this provision. It is also important to recognize that the "significant modification" provisions may require notice by the Seller to the Department only when the modifications are made to a QATT by the Seller or are made to a QATT with the Seller's knowledge and consent. The final rule does not require that a Seller notify the Department of changes to a QATT made post-sale by an end-user of the QATT, and any such change by an end-user cannot result in loss of SAFETY Act protection for the Seller or others protected by the Seller's Designation or Certification. If notice of a modification is required, Sellers should submit to the Department a "Notice of Modification to Qualified Anti-Terrorism Technology."

(Notice of Modification Form on following page)

Privacy Act Notice: DHS Authority to Collect This Information: 6 U.S.C. §§ 441–444 (the "SAFETY Act") and 6 C.F.R. Part 25, 71 Fed. Reg. 33147, 33159. **Principal Purposes:** When any individual, business entities or other entities seeking to make significant modifications to the Qualified Anti-Terrorism Technology fill out the SAFETY Act Notice of Modification of Qualified Anti-Terrorism Technology, DHS collects telephone numbers, addresses, and other identifying information for the purpose of contacting individuals seeking liability protections on modifications related to the SAFETY ACT application process. **Routine Uses and Sharing:** In general, DHS will not use this information for any purpose other than DHS personnel contacting the individual. However, DHS may release this information of an individual on a case-by-case basis as described in the S&T SAFETY Act System of Records Notice (SORN), which can be found at: www.dhs.gov/privacy. **Disclosure:** Submission of this information is voluntary and an individual may opt not to provide the requested information or to provide only some of the information DHS requests. If an individual chooses to opt not to provide some or all of the requested information, DHS may not be able to process the individual's request.

PRA Burden Statement: An agency may not conduct or sponsor an information collection and a person is not required to respond to this information collection unless it displays a current valid OMB control number and an expiration date. The control number for this collection is 1640-0001 and this form will expire on 03/31/2013. The estimated average time to complete this form is 10 hours per respondent. If you have any comments regarding the burden estimate you can write to Department of Homeland Security, Science and Technology Directorate, Washington, DC 20528.

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M1. Seller Name: _____

M1.1. Public Web site Listing

If your Technology is awarded SAFETY Act coverage, you have the opportunity to be listed on the SAFETY Act Web site as a Designated Seller of anti-terrorism technologies. [For example, if you apply for Designation and Certification and receive Designation, your Technology will be listed under Designated Technologies. Or, if you are granted DT&E Designation, regardless of which protection you applied for, you will be so listed on the Web site. Note: By statute, all Certified Technologies will be displayed in the Approved Products List for Homeland Security on the Web site.]

I wish to have this Technology listed on the public Web site under the appropriate classification.

I do not wish to have this Technology listed on the public Web site under the appropriate classification.

M2. Qualified Anti-Terrorism Technology (QATT) information

M2.1. QATT Name: _____

M2.2. QATT Application ID Number: _____

M3. Modification Type

M3.1 Technical Modification

- a. Description of Modification: Attach a description of the modification the Seller has made or is intending to make to the QATT. The discussion should endeavor to frame the “before” and “after” attributes of the modifications to the QATT. Please also address why the Seller is making or intends to make such modification.
- b. Provide any information on the impact that this Modification would have on the projected revenue of your QATT.
- c. If your Modification includes the addition of Sellers, confirm that your current insurance coverage extends to these Sellers or provide information

demonstrating that additional Sellers maintain the required insurance to respond to SAFETY Act claims.

M3.2 Insurance Petition

Request for Insurance revision: If you are petitioning for a revision to the insurance requirement contained in your Certificate of Designation pursuant to Section 25.5(g) of the SAFETY Act Regulations, please provide a basis for you petition, to include but not limited to, QATT market conditions, financial status of your firm, insurance premia, and revisions to your insurance policy(ies) by the carrier.

- a. Any petition to reduce the amount of insurance required by your Certificate of SAFETY Act Designation, that is available to satisfy otherwise compensable third-party claims arising out of, relating to, or resulting from an act of terrorism where your QATT deployed in defense against, response to, or recovery from such act should include all of the following information related to your proposed new insurance liability limit:
 - i. Primary named insured (as it appears on your insurance policy).
 - ii. Additional named insured relevant to the QATT Sellers.
 - iii. Type of policy(ies) (e.g., Comprehensive General Liability, Errors and Omissions, Aviation, Product Liability, SAFETY Act Liability, etc.)
 - iv. Policy Dates. (Start and end)
 - v. Insurer.
 - vi. Per-occurrence limits.¹
 - vii. Aggregate limits.
 - viii. Annual Premium(s).²
 - ix. Deductible(s) or Self-insured retentions.
 - x. Exclusions (please note and explain any pertinent insurance exclusions, cancellation terms, or limits that would potentially dilute or eliminate the availability of coverage under the policies identified in sub-paragraph “c” above).
 - xi. Please describe the type and limits of terrorism coverage for this policy. Please elaborate on the applicability of the policies identified

¹ Please indicate whether the policy(ies) has a different limit or deductible/self-insured retention for terrorist acts than the general policy limit and, if so, provide both.

² Insurance premium: If possible, please indicate what percentage of the premium is allotted to coverage for acts of terrorism.

in sub-paragraph “c” to address the foreseeable risks associated with the deployment of the Technology, including those risks arising from the deployment of the Technology in advance of or response to an act of terrorism. Please also indicate whether the identified policy(ies) provides coverage under the Terrorism Risk Insurance Act (TRIA) of 2002, as amended, or other insurance policy(ies) provisions or endorsements.

xii. Please describe whether the relevant policy(ies) covers SAFETY Act claims and whether the policy(ies) has a dedicated limit that applies to SAFETY Act claims only or has a shared limit (i.e., shared with non-SAFETY Act claims). Please indicate whether you have received a written interpretation letter from either the carrier or insurance broker indicating whether the policy covers SAFETY Act claims; if so, please provide a copy of such document.

b. Insurance Point of Contact: If POCs are provided as sources of information or testimonials, check below to indicate that you have contacted them and that they are expecting to hear from DHS related to your QATT. Also, indicate below what information we should expect from each POC.

c. Revenue Projection: In order for us to determine the amount of insurance that would not unreasonably distort the sales price of your Technology, we need you to provide us with three (3)-year projected (prospective) revenue estimates for your Technology - all assuming that your Technology is approved under the SAFETY Act. The three-year period should include your current fiscal year, if incomplete, and two subsequent years.

The revenue data needs only to pertain to your Technology and the numbers need only be summarized data (that is, we do not require the revenue sources to be itemized). The revenue data should be matched with summarized cost data (e.g., cost of goods sold); as with the revenue data, we do not require breakdown of data by cost centers.

M4. Provide information regarding the described modification’s effect on the QATT’s safety or efficacy, or risk(s) associated with its deployment.

If POCs are provided as sources of information or testimonials, check below to indicate that you have contacted them and that they are expecting to hear from DHS related to your Technology. Also, indicate below what information we should expect from each POC.

The POCs are expecting contact from DHS. The information the POC can provide or verify is:

DECLARATION FOR WRITTEN SUBMISSIONS

I declare, to the best of my knowledge and belief, that the information provided in response to the questions set forth in this Application for SAFETY Act liability protections is true, factual, and correct, and that I am an authorized agent of the Applicant.

Prepared By: _____ Title (if applicable): _____

Signature: _____ Date: ___/___/20__

The signature of the Preparer must be notarized below:

State of: _____ County of: _____

Subscribed and sworn before me this _____ day of _____

Notary Public: _____

My Commission Expires on: _____

Instructions for Completing Notice of Modification Form:

Seller Information

Item M1. Seller Name

Enter the name of the current Seller of the QATT whose Designation and, as applicable, Certification you wish to modify.

Item M2. QATT Information

Item M2.1. QATT Name

Enter the name of the QATT as it appears in the Seller's most recent Certification of Designation or previous Modification Notice.

Item M2.2. QATT Application identification Number

Enter the Application Identification Number of the original Designation and, as applicable, Certification for this QATT.

Item M3.1 Technical Description of Modification

Attach a document describing the proposed modifications in detail, along with any documentation or other information detailing the modification, as well as the need for or purpose underlying such modification.

Please also address the impact any Modification will have on QATT sales. If a change is proposed to include additional Sellers, please verify that your current insurance coverage applies to these Sellers.

Item M3.2 Insurance Petition

Your petition should include a basis or explanation of why your required insurance should be revised. You must provide the details requested in Item M3.2 (a-l); include any relevant documentation to support your petition (e.g., letters from carriers or insurance brokers).

Item M4. Effect

If you are filing an insurance petition, no response is required to this question.

Please describe the effect the modification will have on the QATT's safety or efficacy and provide any available supporting information.

This should include any test and evaluation data, relevant certifications, or the like. If you are extending your QATT to a new sector, describe any changes to the QATT and tests conducted to verify that your QATT will be effective in a new location. If you

are adding a product line, please describe how this new product line compares to product lines currently included as part of your QATT.

Also, if associated technical documentation, or policies and procedures, are impacted by changes in your QATT, provide these updated documents.

If POCs are provided as sources of information or testimonials, please indicate that you have contacted them and that they are expecting to hear from DHS related to your Technology. Also, indicate what information we should expect from each POC.

Declaration

An authorized agent of the Applicant must sign and date this form before submitting it to OSAI. For electronic or Web submissions, follow the instructions provided at safetyact.gov.