

DEPARTMENT OF DEFENSE SECURITY AGREEMENTOMB No. 0704-0194
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This DEPARTMENT OF DEFENSE SECURITY AGREEMENT (*hereinafter called the Agreement*), entered into this _____ day of _____, _____ by and between THE UNITED STATES OF AMERICA through the Defense Counterintelligence and Security Agency acting for the Department of Defense and other governmental User Agencies (*hereinafter called the Government*), and _____ (*hereinafter called the Contractor*), which is:

- (1) A _____ organized and existing under the laws of the state of _____.
(*Enter type of business entity, e.g., Corporation, Limited Liability Company, etc.*)
- (2) a partnership consisting of _____
- (3) an individual trading as _____
- with its principal office and place of business at (*Street, City, State and ZIP Code*) _____

WITNESSETH THAT:

WHEREAS, the Government has in the past purchased or may in the future purchase from the Contractor supplies or services, which are required and necessary to the national security of the United States; or may invite bids or request quotations on proposed contracts for the purchase of supplies or services, which are required and necessary to the national security of the United States; and

WHEREAS, it is essential that certain security measures be taken by the Contractor prior to and after being accorded access to classified information; and

WHEREAS, the parties desire to define and set forth the precautions and specific safeguards to be taken by the Contractor and the Government in order to preserve and maintain the security of the United States through the prevention of improper disclosure of classified information, sabotage, or any other acts detrimental to the security of the United States;

NOW, THEREFORE, in consideration of the foregoing and of the mutual promises herein contained, the parties hereto agree as follows.

Section I - SECURITY CONTROLS

(A) The Contractor agrees to provide and maintain a system of security controls within the organization in accordance with the requirements of Part 117 of Title 32 Code of Federal Regulations, "National Industrial Security Program Operating Manual" (*hereinafter called "the Rule"*) attached hereto and made a part of this agreement, subject, however, (i) to any revisions of the Rule required by the demands of national security as determined by the Government, notice of which shall be furnished to the Contractor, and (ii) to mutual agreements entered into by the parties in order to adapt the rule to the Contractor's business and necessary procedures thereunder.

(B) The Government agrees that it shall indicate when necessary, by security classification (TOP SECRET, SECRET, or CONFIDENTIAL), the degree of importance to the national security of information pertaining to supplies, services, and other matters to be furnished by the Contractor to the Government or by the Government to the Contractor, and the Government shall give written notice of such security classification to the Contractor and of any subsequent changes thereof; provided, however, that matters requiring security classification will be assigned the least restricted security classification consistent with proper safeguarding of the matter concerned, since over classification causes unnecessary operational delays and depreciates the importance of correctly classified matter. Further, the Government agrees that when Atomic Energy information is involved it will, when necessary, indicate by a marking additional to the classification marking that the information is "RESTRICTED DATA." The 'Department of Defense Contract Security Classification Specification' (DD Form 254) is the basic document by which classification, regrading, and declassification specifications are documented and conveyed to the Contractor.

(C) The Government agrees, on written application, to grant personnel security clearances to eligible employees of the Contractor who require access to information classified TOP SECRET, SECRET, or CONFIDENTIAL.

(D) The Contractor agrees to determine that any subcontractor, sub bidder, individual, or organization proposed for the furnishing of supplies or services which will involve access to classified information, has been granted an appropriate facility security clearance, which is still in effect prior to according access to such classified information.

Section II - SECURITY REVIEWS

Designated representatives of the Government responsible for reviews pertaining to industrial plant security shall have the right to review, at reasonable intervals, the procedures, methods, and facilities utilized by the Contractor in complying with the requirements of the terms and conditions of this Rule. Should the Government, through its authorized representative, determine that the Contractor's security methods, procedures, or facilities do not comply with such requirements, it shall submit a written report to the Contractor advising of the deficiencies.

Section III - MODIFICATION

Modification of this Agreement may be made only by written agreement of the parties hereto. The Rule may be modified in accordance with Section I of this Agreement.

Section IV - TERMINATION

This Agreement shall remain in effect until terminated through the giving of 30 days' written notice to the other party of intention to terminate; provided, however, notwithstanding any such termination, the terms and conditions of this Agreement shall continue in effect so long as the Contractor possesses classified information.

Section V - PRIOR SECURITY AGREEMENTS

As of the date hereof, this Agreement replaces and succeeds any and all prior security or secrecy agreements, understandings, and representations, with respect to the subject matter included herein, entered into between the Contractor and the Government; provided, that the term "security or secrecy agreements, understandings, and representations: shall not include agreements, understandings, and representations contained in contracts for the furnishing of supplies or services to the Government which were previously entered into between the Contractor and the Government.

Section VI - SECURITY COSTS

This Agreement does not obligate Government funds, and the Government shall not be liable for any cost or claims of the Contractor arising out of this Agreement or instructions hereunder. It is recognized, however, that the parties may provide in other written contracts for security costs, which may be properly chargeable thereto.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year written above:

THE UNITED STATES OF AMERICA

By

(Signature of Authorized Government Representative)

(Typed Name of Authorized Government Representative)

(Typed Name of Authorized Government Agency)

(Typed Name of Contractor Entering Agreement)

WITNESS

(Signature and Date)

By

(Signature of Authorized Contractor Representative)

(Typed Name of Authorized Contractor Representative)

(Title of Authorized Contractor Representative)

(Contractor Address)

(Contractor Address)

NOTE: The witness must be a person who personally observed the Contractor Representative sign this form. The witness cannot be the same person who signs this form as the Government Representative. The name of the witness should be typed or printed under the witness' signature and date.

By executing this form, the Contractor Representative certifies that he or she is the _____
of the business entity identified above, and has the authority to bind the business entity to the terms of this agreement.