



OUTSIDE DIRECTOR/PROXY HOLDER NOMINEE PACKAGE

AGENCY DISCLOSURE NOTICE

The public reporting burden for this collection of information, OMB Control No. 0705-0005, is estimated to average 45 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimator or burden reduction suggestions to the Department of Defense, Washington Headquarters Services, at whs.mc-alex.esd.mbx.dd-dod-information-collections@mail.mil. Respondents should be aware that notwithstanding any other provision of law, no person shall be subject to any penalty for failing to comply with a collection of information if it does not display a currently valid OMB control number.

Dear Sir or Madam,

Your name has been provided to our office as a nominee for the position of Outside Director/Proxy Holder (OD/PH) as part of a Foreign Ownership, Control or Influence (FOCI) Mitigation Agreement (Agreement) between _____, hereinafter “the Company,” and its ultimate foreign parent company/foreign shareholder, _____ a/an _____ company.

If approved for the OD/PH position, you will serve two critical roles: protecting national security information and fulfilling fiduciary duties to the Company and the shareholder. OD/PH must ensure the Company protects the critical information and assets entrusted to it by the United States Government, and may need to resolve conflicts between U.S. national interests and Company and shareholder financial considerations. You will be expected to maintain a proactive posture to ensure that Company complies with the terms of the Agreement. The purpose of the Agreement is to effectively exclude the ultimate foreign parent company/foreign shareholder (and any entities and affiliates that the ultimate foreign parent company/foreign shareholder company controls) from unauthorized access to classified and export controlled information; and influence over the Company’s business or management in a manner that could adversely affect classified contract performance.

An individual appointed to fulfill an OD/PH position must meet certain criteria pursuant to the National Industrial Security Operating Manual Rule (NISPOM Rule) 32 CFR §117.11(f):

- Be a U.S. citizen residing in the United States;
- Be capable of exercising management prerogatives relating to the OD/PH position in a way that ensures the foreign owner can be effectively insulated from the Company;
- Be eligible for, agree to be processed for, and maintain a personnel security clearance equivalent to the level of the Company’s facility security clearance; and
- Be a completely “disinterested” individual capable of exercising judgment independent of any influence(s) that may prejudice his or her decision-making capability. (Note: “Disinterested” is defined as having no prior contractual, financial, or employment relationship with the Company, its ultimate parent/foreign shareholder, or any of its affiliates. The term extends to members of the nominee’s immediate family as well.)

The Defense Counterintelligence and Security Agency (DCSA) is responsible for reviewing and approving a nominee’s qualifications prior to their appointment and DCSA requests that you provide detailed responses to the attached questionnaire and execute the attached certificate. Responses should be of sufficient detail to enable DCSA to determine your eligibility to function in the appointed position as an independent and totally disinterested individual.

Please direct questions and return the questionnaire, certificate, and a copy of your current resume to the Risk Management Officer identified below. Risk Mitigation Officer:

Phone: _____ Email: _____

OUTSIDE DIRECTOR/PROXY HOLDER NOMINEE QUESTIONNAIRE

1. Who nominated you for this position, and what is your understanding of how you came to be nominated?

2. Please explain, with particularity, whether there are any connections, past, present or anticipated in the future, between you and the Company, its affiliates, or the foreign shareholder and any of its affiliates.

3. Please explain how your background and experience qualify you to serve as an OD/PH at the Company. Please identify experience or expertise in the following fields:
 - a. Working for the United States Government

 - b. Working in the private sector (e.g. working with foreign businesses or entities)

 - c. Working for a company under FOCI

 - d. Serving in senior leadership roles

 - e. A specific technology, field, or industry

 - f. Security, risk management, counterintelligence, and related fields

 - g. Any other relevant experience not mentioned above

4. Do you serve on any other Boards of Directors or similar governing bodies? Please identify them below along with the committees you serve on (if applicable) and the average time you commit monthly to each organization.

5. Do you have any other commitments requiring more than 250 hours annually (e.g. consulting, employment)? Please identify them below along with the average time you commit monthly to each organization.

6. What do you understand as the role of an OD/OH and how will you fulfill this role? Please explain with particularity.

7. Please explain what your most significant contribution to the Company's Board of Directors will be?

8. Have you completed the OD/PH baseline training?

Yes, date completed

No, but I understand this is a condition of final approval to serve as an OD/PH

Please provide a copy of your current resume with the nomination package

CERTIFICATE

I certify that the entries made herein by me, and on any attachments, are true, complete, and correct to the best of my knowledge and belief and are made in good faith. In addition, I acknowledge that by signing below I have been informed of, and understand, the responsibilities of this position (as defined here- in). I also acknowledge that I have been advised to review any other agreements, contracts, arrangements or understandings to determine if there could be a conflict of interest which should be raised to the U.S. firm and foreign shareholder(s).

DATE: _____

PRINT NAME: _____

SIGNATURE: _____

MAILING ADDRESS: _____

PHONE NUMBER: _____

E-MAIL ADDRESS: _____

SOCIAL SECURITY NUMBER (SSN): You will need to provide your SSN to the Risk Mitigation Officer listed above via telephone.