

STATEMENT OF AFFILIATION

Name of Offeror: _____

Cage Code: _____

Name and phone number of submitter: _____

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).

If yes, provide FSC/CAGE Code Number _____; the remainder of this provision shall not be applicable to the offeror.

2. At any time within the calendar year preceding the due date for this proposal, has the contractor submitted to the U. S. Army Intelligence and Security Command (INSCOM) 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 INSCOM 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 INSCOM 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 1a. or 1b.)

- 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? _____

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?

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? _____

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? _____

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? _____

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. a. 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? _____

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". _____

- b) 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? _____

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 derive:

- a. 5% or more of its total revenues or net income from any single foreign interest? _____
- b. In the aggregate 30% or more of its total revenues or net income from foreign interest? _____

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? _____

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?

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? _____

If yes:

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

Signature and Date: _____