

NNPI TERMS AND CONDITIONS

Nothing in the foregoing relieves any party of its obligations to protect export controlled and other proprietary and business sensitive technical data and information from unauthorized disclosure, public release, or placement in the public domain, including by placement in unsealed court records when such protection is required. For example, without limitation, note the special control requirements for Naval Nuclear Propulsion Information (NNPI) referenced the clause herein entitled "Protection of Naval Nuclear Propulsion Information" and in NN-801 REV. 4.

I. SUBCONTRACTING AND SUBCONTRACTING RESTRICTIONS.

A. Subcontractor Eligibility –

1. Before providing export controlled technical data and/or hardware to prospective lower-tier bidders and suppliers, it is your responsibility to ensure that the intended recipient is eligible to receive it.
2. As a prospective subcontractor to DRS-CCI, you must satisfy the following criteria. You should consider, as a minimum, using similar criteria when evaluating your prospective recipients of technical data/hardware or subcontracts.

(Note: Nothing stated here is intended to relieve you of any of your responsibility to comply with all applicable laws, regulations, rules, etc.)

- a. Be actively certified under the U.S./Canada Joint Certification Program ("JCP Certified") (Refer to clause 8.) (Applies to U.S. & Canadian Suppliers only.); and
- b. Be registered with the U.S. State Department, when required;
- c. Have developed and implemented a written Security Plan to prevent unauthorized disclosures of export-controlled hardware and technical data. (Refer to Clause 8) (Applies to all intended recipients at every tier.);
- d. If access to Naval Nuclear Propulsion Information (NNPI) is required and you are eligible to receive it, you must have developed and implemented a written Security Plan that also addresses preventing unauthorized disclosures of NNPI (Applies to all intended U.S. recipients at every tier potentially needing access to NNPI. Foreign nationals may not have access to NNPI.);
- e. Ensure that appropriate DRS-CCI, and DRS-CCI Customer approval via DRS-CCI, are requested and obtained, when required, prior to disclosing export-controlled technical data, hardware, software, and information to foreign nationals, whether within the U.S. or abroad.
- f. Ensure that appropriate U.S. State Department approvals and/or licenses are obtained for all prospective foreign suppliers and subcontractors before providing them with, or with access to, export-controlled hardware, technical data, software, and information;
- g. Include in lower-tier solicitations and subcontracts all subcontract requirements of these Terms and Conditions, the letter contract/purchase order, and all other documents applicable thereto, that are required to be flowed down;
- h. Complete and submit all certifications and representations requested by the DRS-CCI Buyer.

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3. The intended recipient of a subcontract for performance of work under this purchase order must not:

- a. be debarred, suspended, proposed for debarment, or otherwise ineligible to receive a U.S. Government contract or subcontract or
- b. be owned or controlled by the Government of a Terrorist Country as defined in the Part IV DFARS clause 252.209-7004 entitled "Subcontracting with Firms that are Owned or Controlled by the Government of a Terrorist Country" (as modified). Written approval of the Buyer and the U.S. Government is required for any exceptions.

B. **Subcontracting Restrictions** - Seller shall not subcontract with parties that are debarred, suspended, proposed for debarment, or otherwise declared ineligible for the award of any contracts by any Federal Agency without the prior written approval of the Buyer and the Buyer's Customer.

II. PUBLIC RELEASE OF INFORMATION (including NNPI)

- A. Information, data, photographs, sketches, advertising, displays, promotional brochures, or other materials related to Work under this Purchase Order, which Seller desires to publish, display, or release internally, to other contractors, to Government agencies, or to the public, requires prior Buyer approval and shall be transmitted to the Buyer at least eight weeks prior to the desired printing or release date.
- B. Information and technical data described above may NOT be transmitted over the internet (except in certain cases when suitably encrypted and prior written approvals have been obtained) or posted to an internet home page. Posting information and/or technical data subject to export control on the Web is to be treated as tantamount to public disclosure.
- C. This includes descriptive or promotional material which links or relates, directly or indirectly, Seller's product line, manufacturing facilities, or manufacturing capabilities to performance of Naval Nuclear Propulsion work. As part of the approval request, Seller shall identify the specific media to be used, as well as other pertinent details of the proposed release.
- D. All releases, regardless of tier of supplier, must have prior written approval of the Buyer (and the Government, when required).
- E. Should any information described above be requested, subpoenaed, or otherwise sought by a court of competent jurisdiction or other judicial or administrative authority, this should be promptly brought to the attention of Buyer to permit appropriate measures to be taken to protect the information. Under no circumstances should this information be released to such authority without prior notification and agreement of the Buyer.
- F. Seller agrees that this requirement of prior Buyer approval of any release shall survive the Purchase Order and that Seller shall not for a period of twenty years after issuance of this Purchase Order (or order extension period, if applicable) either directly or indirectly issue any such release without requisite approval of the Buyer, its successors, or assignees.

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- G. Seller shall include all provisions of this article including this sentence in all lower-tier subcontracts under this Purchase Order.
1. In accordance with Government policy and Buyer's requirements, release or publication of any information, data, speeches, advertisements, press releases, photographs, promotional brochures, technical papers, and the like that is related to the material or services produced or provided in performance of this Purchase Order whether it be Naval Nuclear Propulsion Work or otherwise, as well as reference to DRS-CCI, or any of their officers, agents, and employees, is prohibited unless prior DRS-CCI written authorization for release or publication has been requested and obtained by Seller in writing. This includes, without limitation, reference to supplying any particular item or service to DRS-CCI.

As identified elsewhere herein:

- a. Naval Nuclear Propulsion Information (NNPI) must be protected from unauthorized release. NNPI may only be disclosed to U.S. citizens with a legitimate need to know for performance of this purchase order and who are not otherwise prohibited from receiving NNPI (e.g., U.S. citizen representatives of foreign nationals or foreign interests, etc.)
- b. Dual Citizenship - Special controls identified in NN-801 REV. 4 apply prior to providing NNPI to U.S. citizens with dual citizenship. Refer to the other clauses herein dealing with NNPI and other export controls.
- c. Seller must insure that all required licenses and/or approvals are obtained prior to any export or disclosure of technical data or equipment subject to export control, whether such export takes place in the U.S. or abroad; and
- d. Prior DRS-CCI written approval is required prior to the export or disclosure to other than U.S. persons (as defined in the ITAR), whether in the U.S. or abroad, of any equipment or technical data subject to export control.
- e. In addition, Seller must comply with all distribution restrictions (e.g., Distribution Statement D; NOFORN; etc.) and other markings on documents.
- f. Provisions similar to the foregoing shall be flowed down to lower-tier subcontractors at any tier.

III. SECURITY REQUIREMENTS.

- A. Classified Access - If this Purchase Order requires access to classified information, special security requirements apply as identified in the security clause in Part III entitled "FAR 52.204-2, Security Requirements (Modified)". In such case, the information contained in the Contract Security Classification Specification (DD Form 254) provided by DRS-CCI is hereby incorporated by reference and is provided to assist you in meeting these security requirements.
- B. Classified Data Shipment – Classified documents shall be packaged separately and shipped in accordance with the Security requirements of the Purchase Order to:
DRS Consolidated Controls, Inc.
P.O. Box 1064

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Attn.: Document Custodian

- C. In the event of conflict between the address stated above and that stated in the current Defense Security Service (DSS) Central Verification Facility, the latter shall govern.
- D. Technical Data and Hardware Subject to Export Control – Refer to the clauses and provisions in these terms and conditions and the Purchase Order relating to export control. Failure to comply with export control laws and regulations may result in severe civil and criminal penalties.
- E. Naval Nuclear Propulsion Information (NNPI) – NNPI, both classified and unclassified, is subject to export control under the International Traffic in Arms Regulations (ITAR) of the U.S. State Department as well as more stringent contractual access control requirements. Refer to the clauses and provisions in these terms and conditions and the Purchase Order relating to NNPI.
- F. Security Plan.
 - 1. It is your responsibility to comply with export control laws and regulations as well as contractual requirements and to prevent unauthorized disclosures (including visual disclosures) of export-controlled articles, items, and technical data.
 - 2. If the work you perform for DRS-CCI requires or will require access to DRS-CCI proprietary data, militarily critical technology and/or export-controlled technical data, you are required to have in place a formal, written SECURITY PLAN suitable to your organization.
 - 3. This includes policies and procedures for controlling disclosure of information to your employees, visitors, subcontractors, etc. who are not “U.S. Persons” (as defined in the International Traffic in Arms Regulations (“ITAR”)) with a “need to know” and, for the more stringent control requirements for Naval Nuclear Propulsion Information (NNPI), those who are not “U.S. citizens” with a “need to know” for performance of the work under this Purchase Order. If access to NNPI is required, the clause herein entitled Protection of Naval Nuclear Propulsion Information requires that you have such safeguards, policies, and procedures.
 - 4. Unless specific prior written DRS-CCI and DRS-CCI Customer approval has been requested by Seller and granted, no person (including one of your own employees) or entity is to be given access to militarily critical technology or technical data, including NNPI, if they are debarred, suspended, proposed for debarment, or otherwise ineligible to perform on U.S. or Canadian Government contracts or has violated U.S. export control laws.
 - 5. You may not provide access to DRS-CCI proprietary data, militarily critical technology and/or technical data, or NNPI to persons other than your otherwise eligible employees or other eligible persons designated by you to act on your behalf unless such access is permitted by U.S. DoD Directive 5230.25, by the cognizant U.S. Government Agency, or written authorization by DRS-CCI.
 - 6. A SECURITY PLAN is your written documented plan developed to prevent the unauthorized export or disclosure of technical data, regardless of whether in the U.S. or abroad, to unauthorized U.S. citizens, and to any foreign concern, foreign interest, foreign national, or their representatives (U.S. citizens or otherwise), including those who are your own agents or employees. A SECURITY PLAN typically includes, but is not limited to, details of your company’s written policies and

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procedures to control and prevent unauthorized disclosure (including visual disclosure) of export controlled information, technical data, and hardware to other than "U.S. Persons" (as defined in the ITAR), including any of your own employees who are ineligible to receive it.

7. The SECURITY PLAN should demonstrate your company's ability to appropriately secure, handle, and safeguard from unauthorized actual, potential or inadvertent release any DRS-CCI proprietary data as well as any export controlled technical data and hardware to persons and other entities ineligible to receive it, including those made by you, your employees, and lower-tier subcontractors.
8. The SECURITY PLAN would likely address security measures determined necessary to reasonably prevent the possibility of inadvertent access by non-U.S. citizen employees and visitors to information for which they are not authorized. The SECURITY PLAN should also prescribe measures designed to assure that access by non-U.S. citizens is strictly limited to only that specific information for which appropriate Federal Government disclosure authorization has been obtained; e.g., an approved export license or technical assistance agreement. Unique badging, escort, segregated work area, security indoctrination schemes, and other measures that are appropriate to your organization should be addressed in your SECURITY PLAN.
9. **NNPI** - If you are eligible to receive access to Naval Nuclear Propulsion Information (NNPI) and expect to have a "need to know" for NNPI, a SECURITY PLAN is required. It should address the more stringent requirements for safeguarding and controlling NNPI identified in NN-801 REV. 4.
10. If you will require access to Naval Nuclear Propulsion Information (NNPI) and are otherwise eligible to receive NNPI (Refer to NN-801 REV. 4, as applicable), the clause herein entitled "Protection of Naval Nuclear Propulsion Information" requires that you have such safeguards, policies and procedures. The SECURITY PLAN should address the more stringent controls for access to NNPI which is, in part, limited to only "U.S. citizens" with a need to know for performance of the work under this Purchase Order (see NNPI restrictions identified elsewhere in these terms and conditions and the applicable revision of NN-801 REV. 4).
11. This also assumes that the recipients of such technical data are not debarred, suspended, proposed for debarment or otherwise found by any Federal agency to be ineligible to participate in such work.

G. Certification Under the U.S./Canada Joint Certification Program (JCP).

Performance of work for DRS-CCI may require you to be certified by the US/Canada Joint Certification Program (JCP), which establishes your eligibility to receive technical data governed, in the U.S., by DoD Directive 5230.25 and, in Canada, by the Technical Data Control Regulations (TDCR). This certification is mandatory for U.S. or Canadian contractors requiring access to unclassified technical data disclosing militarily critical technology with military or space application that is under the control of, or in the possession of the U.S. Department of Defense (DoD) or the Canadian Department of National Defense (DND).

To obtain certification you must submit a [DD Form 2345](#) to the U.S./Canada Joint Certification Office, along with a copy of the company's State/Provincial License, Incorporation Certificate, Sales Tax Identification Form or other documentation which verifies the legitimacy of the company.

The form, with instructions, is available at (<http://www.dlis.dla.mil/jcp/forms/DD2345Form.pdf>).

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IV. NOTIFICATION OF FOREIGN OWNERSHIP OR FOREIGN PLACE OF PERFORMANCE

A. Seller shall provide Buyer written notice within ten (10) working days of the effective date of the change or of becoming aware of the prospective change, whichever is earlier when:

1. a foreign interest acquires the power, direct or indirect, whether or not exercised, and whether or not exercisable through the ownership of Seller's securities, by contractual arrangements or other means, to direct or decide matters affecting the management or operations of Seller; or
2. Seller relocates the place of performance, in whole or in part, outside the United States.
3. Seller shall also provide Buyer with written notice as described above in the event that Seller becomes aware that it is to be merged with or acquired by a foreign entity or interest, regardless of whether or not it is to be a company organized to do business under the laws of the United States.
4. Notification shall also be required if the Seller is a foreign entity or interest that is to be merged with or acquired by another foreign entity.

V. NNPI - CONTROL OF NAVAL NUCLEAR PROPULSION INFORMATION (NNPI) & SECURITY

AGREEMENT (Applies to bid solicitations, letter contracts, and/or purchase orders containing or requiring access to NNPI.)

This bid solicitation (e.g., Request for Proposal/Quotation), letter contract, purchase order, and/or supporting information may contain Naval Nuclear Propulsion Information (NNPI) which is subject to special export and other controls of the International Traffic in Arms Regulations (ITAR) as well as the more stringent export and other control requirements for Naval Nuclear Propulsion Information.

Other contractual and/or legal requirements regarding disclosure also apply.

For purposes of this solicitation, letter contract, and/or award, the designation NOFORN indicates that the document contains unclassified NNPI.

Classified NNPI is identified by other markings designated in NN-801 REV. 4.

NNPI may only be disclosed to U.S. citizens with a need-to-know.

NNPI may not be disclosed to foreign nationals or immigrant aliens. United States citizens representing a foreign government, foreign private interest or other foreign nationals, are considered to be foreign nationals for industrial security purposes and the purpose of this restriction.

The bidder or Seller is required to comply with all NNPI special marking, handling, disclosure, and disposal requirements of NN-801 REV. 4.

- A. **Disclosure of NNPI to Persons with Dual Citizenship** - Special controls identified in NN-801 REV. 4 apply prior to providing NNPI to U.S. citizens with dual citizenship.
- B. **Disposal** – Seller is required to dispose of documents containing NNPI and components and equipment that reveal NNPI in accordance with NN-801 REV. 4. In addition, for components with NNPI markings, Seller must remove all NNPI markings from material produced under this Purchase Order but not delivered.
- C. **Security Agreement for Protection of NNPI for Bid Solicitations & Purchase Orders**

1. By receiving and acting on this bid solicitation where no Purchase Order yet exists (e.g., RFQ or RFP) or, as applicable, by accepting this Purchase Order or by commencing work in performance of

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this Purchase Order, the prospective bidder (the addressee of the solicitation) or Purchase Order awardee agrees that when documents provided (e.g., RFQ/RFP bid solicitations, purchase orders, specifications, drawings, etc.) that are marked as containing NOFORN sensitive or controlled information that must be controlled pursuant to Federal law or contractual requirements (e.g., NOFORN), that:

- a. The information contained therein and generated as part of the inquiry, solicitation or resulting purchase order shall be used only for the purpose of preparing the proposal or performance of this Purchase Order, and
- b. They shall in no case be transmitted outside the prospective bidder's or awardee's company (except to prospective lower-tier bidder's who have a specific need to know and to whom the prospective bidder/awardee has invoked similar controls and unless such transmittals comply with the detailed guidance of the RFQ/RFP or Purchase Order), and
- c. They shall not be transmitted or disclosed to any foreign national or foreign interest, whether within or outside the prospective bidder's or awardee's company, and
- d. While in use the documents shall be protected from unauthorized observation, and
- e. They shall be kept secure so as to preclude access by any persons not having a legitimate need to view them related to the solicitation or Purchase Order, and
- f. They shall not be copied:
 - (1) unless done in accordance with the provisions of the detailed guidance of the solicitation and/or subcontract award requirements (including, when applicable, the provisions of the DOE-DOD Classification Guide for the Naval Nuclear Propulsion Program, CG-RN-1, Revision 3, and its Interpretive Guidance Bulletins as well as NN-801 REV. 4 and in accordance with any other guidance provided), and
 - (2) except to the minimum extent required to provide a bid response, and
- g. Following preparation/submittal of the bid solicitation response or performance of any resultant purchase order awarded, all the documents and copies shall be promptly returned in their entirety to Buyer unless authorized by Buyer for retention or proper disposal, following completion of the subcontract.

D. Specific requirements for Protecting U-NNPI:

1. Only people who are a U.S. citizen and have a "Need to Know" required to execute the contract shall be allowed access to NNPI.
2. When not in direct control of an authorized individual, U-NNPI may be secured in a locked container (e.g., file cabinet, desk, safe, etc.). Access to the container must be such that only authorized persons can access it and compromise of the container can be visually detected. Containers should have no labels that indicate the contents. If removed from the site, U-NNPI must remain in the personal possession of the individual. At no time should U-NNPI be left unsecured in a home or automobile, unattended in a motel room or sent with baggage, etc.
3. Documents will have the word NOFORN at the top and bottom of each page. The cover sheet will have the warning statement shown below. Documents originated in the course of work that reproduce, expand or modify marked information shall be marked and controlled in the same way

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as the original. Media such as video tapes, disks, etc., must be marked and controlled similar to the markings on the original information.

NOFORN: This document is subject to special export controls and each transmittal to foreign governments or foreign nationals may be made only with prior approval of the NAVAL SEA SYSTEMS COMMAND.

4. U-NNPI may not be processed on networked computers with outside access unless approved by DRS-CCI. If desired, the company may submit a proposal for processing NNPI on company computer systems. Personally owned computing systems, including, but not limited to, personal computers (PC), laptops, and Portable Electronic Devices (PED) such as Personal Digital Assistants (PDA), are not authorized for processing NNPI.
5. U-NNPI may be faxed within the continental U.S. and Hawaii provided there is an authorized individual waiting to receive the document and properly control it. U-NNPI may not be faxed to facilities outside the continental U.S., including military installations, unless encrypted by Naval Sea System Command approved means.
6. U-NNPI may be sent within the continental U.S. and Hawaii via first class mail in a single opaque envelope that has no markings indicating the nature of the contents.
7. Disposal of documents containing U-NNPI shall ensure that the information is not easily retrievable per NN-801 Rev 4. Disposing of documents in the same manner as classified documents is preferred.
8. Report any attempts to elicit U-NNPI by unauthorized persons to the appropriate security personnel.
9. Report any compromises of U-NNPI by unauthorized persons to the appropriate security personnel. This includes intentional or unintentional public release via such methods as theft, improper disposal (e.g., material not shredded, disks lost), placement on website, transmission via e-mail, or violation of the information system containing U-NNPI.

Definitions applicable to this clause are provided in the base instruction NN-801 REV. 4.

- A. THE PROSPECTIVE BIDDER IS TO RETURN THE BID SOLICITATION IN ITS ENTIRETY AND ANY COPIES OF DOCUMENTS MADE IN THE EVENT THAT:
 1. IT DOES NOT AGREE TO THIS PROVISION. IN SUCH A CASE, THE PROSPECTIVE BIDDER SHALL BE DEEMED TO HAVE DECLINED TO SUBMIT A PROPOSAL OR TO HAVE "NO BID" THE SOLICITATION, or
 2. IT IS NOT THE RECIPIENT OF THE AWARD.

VI. NNPI - CONTROL OF VISITORS AND PROCEDURES TO PROTECT NNPI

(Note: This restriction does not apply to items, components, assemblies, or major subassemblies that (1) meet the definition of "Commercial Item" as defined in the Federal Acquisition Regulations (FAR); or (2) that are not defense articles (Refer to the ITAR) specifically designed, developed, modified, or altered in performance of this Purchase Order; or (3) that are otherwise in the public domain; or (4) that Seller typically offers for sale and has sold to the general public ("Commercial Items"). However, notwithstanding the above, this restriction applies to both technical data and hardware subject to U.S. export control and DRS-CCI sensitive information that Seller may become aware of or have access to relative to performance of this Purchase Order.)

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“Visitor” as used herein means any person who visits the Seller’s plant, office or facility and who does not represent either the Seller, Buyer, or the U.S. Government in the performance of this Purchase Order. This includes Foreign Nationals, whose visits require additional controls above and beyond those necessary for visits by U.S. Citizens.

- A. Except with the written consent of the Buyer, Seller will not permit any Visitors to its plants, offices, or facilities to view or to examine documents, components, assemblies, or major subassemblies provided for or to be delivered under this Purchase Order, or to obtain information or data concerning such documents, components, assemblies, or major subassemblies.
- B. Seller must establish procedures that, when implemented, will prevent the release of Classified and Unclassified Naval Nuclear Propulsion Information (NNPI) to Visitors or; to any other person or entity, including its own employees, that are otherwise ineligible to receive NNPI; or who do not have an established need to know for performance of this Purchase Order.
- C. Seller must also notify the Buyer in advance of any visit to Seller’s plant, office, or facility, to view or examine documents, components, assemblies, or major subassemblies provided for or delivered under this order and must ensure similar controls are in effect at all lower-tier suppliers.

VII. NNPI - MARKING OF DOCUMENTS CONTAINING NAVAL NUCLEAR PROPULSION INFORMATION (NNPI)

- A. All documents containing NNPI are subject to special marking, handling and disclosure requirements contained in this order and NN-801 REV. 4.
- B. Documents containing UNCLASSIFIED NAVAL NUCLEAR PROPULSION INFORMATION shall be marked in accordance with NN-801 REV. 4 and with the following NOFORN Warning Notice:

“NOFORN: This document is subject to special export controls and each transmittal to foreign governments or foreign nationals may be made only with prior approval of the NAVAL SEA SYSTEMS COMMAND.”

- C. Classified NNPI documents have additional special handling and marking requirements. Refer to NN-801 REV. 4.

VIII. NNPI - NAVAL NUCLEAR PROPULSION INFORMATION SECURITY CONTROLS & ADDITIONAL SECURITY REQUIREMENTS (This clause applies if performance of this order involves access to NNPI.)

- A. The provisions of the DOE-DOD Classification Guide for the Naval Nuclear Propulsion Program, CG-RN-1, Revision 3, and its Interpretive Guidance Bulletins and NN-801 REV. 4 are applicable to all Naval Nuclear Propulsion Information (NNPI) work done under this Purchase Order.
- B. Disclosure of Restricted Data as defined in the Atomic Energy Act of 1954 as amended, relating to the Naval Nuclear Propulsion Program to employees of contractors granted Limited Clearance under the provisions of the DOD 5220.22M, National Industrial Security Program Operating Manual (NISPOM) is denied.
- C. The Seller shall invoke the foregoing provisions, as appropriate, in all subcontracts hereunder which involve access to NNPI.

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IX. NNPI – PROTECTION OF NAVAL NUCLEAR PROPULSION INFORMATION

(This clause applies if during the performance of this Purchase Order, Naval Nuclear Propulsion Information (NNPI) is developed or used. Definitions applicable to this clause are provided in NN-801 REV. 4.)

- A. Naval Nuclear Propulsion Information is defined as that information and/or hardware concerning the design, arrangement, development, manufacturing, testing, operation, administration, training, maintenance, and repair of the propulsion plants of Naval Nuclear Powered Ships including the associated shipboard and shore-based nuclear support facilities.
- B. Seller shall develop and implement written policies and procedures and other safeguards for the safeguarding from actual, potential or inadvertent release by the Seller, or any subcontractor, of any Naval Nuclear Propulsion Information in any form, classified or unclassified. Such safeguards shall ensure that only Governmental, Buyer and Seller parties, including subcontractors that have an established need-to-know, have access in order to perform work under this contract, and then only under conditions which assure that the information is properly protected. Access by foreign nationals or immigrant aliens is not permitted. A foreign national or immigrant alien is defined as a person not a United States citizen or a United States National. United States citizens representing a foreign government, foreign private interest or other foreign nationals, are considered to be foreign nationals for industrial security purposes and the purpose of this restriction. In addition, any and all issue or release of such information beyond such necessary parties, whether or not ordered through an administrative or judicial tribunal, shall be brought to the attention of the Buyer.
- C. The Buyer's Contracting Officer for Security shall be immediately notified by Seller via Buyer of any litigation, subpoenas, or requests which either seek or may result in the release of Naval Nuclear Propulsion Information.
- D. In the event that a court or administrative order makes immediate review by the DRS-CCI Security impractical, the Seller agrees to take all necessary steps to notify the court or administrative body of the Navy's interest in controlling the release of such information through review and concurrence in any release.
- E. The Buyer reserves the right to audit Seller's facilities for compliance with the above restrictions.
- F. Exceptions to these requirements may only be obtained with prior approval from the Buyer. Seller shall make its request for any exceptions via Buyer.

X. NNPI - TRANSMISSION ABROAD OF EQUIPMENT OR TECHNICAL DATA RELATING TO THE NUCLEAR PROPULSION OF NAVAL SHIPS

- A. The supplies specified to be delivered under this contract may relate to the nuclear propulsion of naval ships.
- B. Equipment and technical data defined as Naval Nuclear Propulsion Information (NNPI) under NN-801 REV. 4 shall not be disclosed to foreign nationals.
- C. For other than equipment or technical **data** defined as NNPI in paragraph (B) above, except with the prior written consent of the Buyer and the Seller shall not, at any time during or after the performance of

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this contract, transmit or authorize the transmittal of, any technical data or equipment as defined in paragraph (3) below,

1. Outside the United States; or
2. Irrespective of location,
 - a. To any foreign national, not working on this contract or any subcontract hereunder; or
 - b. To any foreign organization (including foreign subsidiaries and affiliates of the Seller); or
 - c. To any foreign government; or
 - d. To any international organization.
3. As used in this requirement, the following terms shall have the following definitions:
 - a. "United States" means the States, the District of Columbia, Puerto Rico, American Samoa, the Virgin Islands, Guam, and any areas subject to the complete sovereignty of the United States;
 - b. "Equipment" means all supplies of the kind specified to be delivered under this contract, all component parts thereof, and all models of such supplies and component parts; but "equipment" does not include standard commercial supplies and component parts, and models thereof;
 - c. "Technical Data" means all professional, scientific, or technical information and data produced or prepared for the performance of this contract, or on or for the operation, maintenance, evaluation, or testing of any contract item, whether or not the information and data were specified to be delivered under this contract including, without limitation, all writings, sound recordings, pictorial reproductions, and drawings or other graphical representations; but "technical data" does not include such information and data on standard commercial supplies and component parts to the extent that the information and data do not relate to the use, operation, maintenance, evaluation and testing of such supplies and component parts in or in connection with any item, or component parts thereof, specified to be delivered under this contract.

D. Flow Down Requirement

The Seller agrees to insert in all subcontracts under this contract provisions which shall conform substantially to the language of this requirement, including this paragraph.

1. Notwithstanding any other provisions of this requirement, this requirement shall not apply:
 - a. Where the transmittal or authorization for the transmittal of equipment or technical data is to be made pursuant to a contract or agreement to which the United States is a party; and
 - b. Where the transmittal is to be of equipment or technical data which the Buyer, or his designated representative, has declared in writing to be thereafter exempt from this requirement.

[end]