



Government Contracts Advisory

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Defense Security Service Revises Seven Day Advance Notice Requirement for Cleared Foreign-Owned Contractors

The Defense Security Service (“DSS”), the agency in charge of administering our Nation’s National Industrial Security Program (“NISP”) and processing and monitoring contractors with facility security clearances (“FCLs”) has recently revised the standard seven-day advance notice requirement for visitor approvals for cleared foreign-owned contractors operating under a Special Security Agreement (“SSA”) or Proxy Agreement (“PA”). This seven day requirement was designed to provide a contractor’s Facility Security Officer (“FSO”) with enough notice to coordinate with an Outside Director to approve a non-routine business meeting or “visit” between the cleared contractor and its parent company and/or parent company’s affiliates.

As posted under the **Foreign Ownership, Control or Influence (“FOCI”) section of its website** on February 23, 2011, DSS has decided to remove the bright line seven-day requirement in favor of deferring to the contractor’s Government Security Committee (“GSC”) to determine the appropriate period for the advance notice requirement. DSS instructs that it be notified in writing if a contractor decides to change the seven-day advance notice period. As always, contractors are required to maintain written records of visitation approval requests and approvals and conduct period reviews of this documentation to ensure compliance with required SSA or PA procedures.

MLA reminds contractors that SSAs and PAs are binding agreements with the government governing the contractor’s access to, and protection of classified information. Accordingly, any change to the agreement, including a change to the visitation advance notice requirements, should be made only with the express written approval of DSS.

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