

BOARD RESOLUTION ACKNOWLEDGING FOREIGN OWNERSHIP

I, \_\_\_\_\_, the duly appointed Secretary of \_\_\_\_\_, a corporation organized under the laws of the State of \_\_\_\_\_, with principal place of business at \_\_\_\_\_, do hereby certify that the following is a true and complete copy of a resolution unanimously passed by the Board of Directors, in its entirety, of said corporation, at a meeting duly called and held on \_\_\_\_\_, 2\_\_\_\_.

WHEREAS a part of this corporation's business consists or will consist of contract or subcontract activities, funded and administered by or for the U.S. Government, requiring access authorizations, i.e., security clearances ("classified contracts"); and

WHEREAS       (Company Name)       has entered into a Security Plan with the U.S. Government for the protection of classified information and/or special nuclear material released to it, and that Security Plan provides that only persons granted appropriate personnel security clearances in accordance with the National Industrial Security Program may have access to such classified information and/or nuclear material; and

WHEREAS the National Industrial Security Program provides that corporations determined to be under foreign ownership, control, or influence are ineligible for a facility clearance; and

WHEREAS voting stock of this corporation is owned by foreign interests, to wit: \_\_\_\_\_ (Name) \_\_\_\_\_, a \_\_\_\_\_ (Country) firm (citizen), owns \_\_\_\_\_ (Number of Shares) ; \_\_\_\_\_ (Name) \_\_\_\_\_, a \_\_\_\_\_ (Country) firm (citizen), owns \_\_\_\_\_ (Number of Shares) ; \_\_\_\_\_ (Name) \_\_\_\_\_, a \_\_\_\_\_ (Country) firm (citizen), owns \_\_\_\_\_ (Number of Shares) ; and these foreign stockholders shall not require, shall not have, and can be effectively excluded from access to all classified information and/or nuclear material released to this corporation, and are not represented on the Board of Directors of this corporation, do not possess sufficient voting power to elect a representative to the Board of Directors of this corporation, and are not entitled to such representation by agreement.

NOW THEREFORE be it resolved that we, the members of the Board of Directors of this corporation, recognize our obligation to comply fully with all provisions of the Security Plan and the National Industrial Security Program.

BE IT FURTHER RESOLVED that we recognize particularly our obligation to ensure that the foreign stockholders are not permitted representations in       (Name of Company)      , and to insulate the foreign stockholders and their representatives or agents from any control or influence over this corporation which might in any way affect access to classified information and/or nuclear material or performance on classified contracts which this corporation may enter into with the U.S. Government or other contractors of the U.S. Government; and

BE IT FURTHER RESOLVED that we recognize our obligation to provide immediate written notice to  (insert name of the Cognizant Security Agency, i.e., DOE, DOD, CIA, or NRC)  of any change in the percentage of ownership of foreign owned voting stock, the identity of foreign persons owning the voting stock of this corporation, or any attempt by the foreign stockholders to gain representation on the Board or otherwise contravene in any way the intent of this resolution; and

BE IT FURTHER RESOLVED that we recognize our obligation to make all current and future Officers, Directors, and executive personnel aware of these special obligations.

IN WITNESS WHEREOF I have hereunto set my hand and affixed the seal of

\_\_\_\_\_ this day of \_\_\_\_\_

\_\_\_\_\_  
(Signature)

(SEAL)