SNL Subcontractors:

This letter is to inform you of upcoming changes that could potentially affect the terms of contractual agreements between National Technology and Engineering Solutions of Sandia, LLC (NTESS) and your business. Several requirements with mandatory supply chain flow down criteria have been added to the NTESS Prime Contract for managing and operating Sandia National Laboratories. As these requirements are based on new laws that must be followed in performance of work under an NTESS-awarded subcontract, affected subcontracts will be revised unilaterally to include any related, newly developed subcontract clauses. New Requests for Quote (RFQs) will include any related solicitation instructions and related, newly developed subcontract clauses, as will any resulting subcontract awards.

The following are a summary of the new requirements that could potentially affect your firm’s subcontract(s):

**Access Requirements**

- **Implementation of Personal Identity Verification (PIV) for Uncleared Contractors**
  Effective October 1, 2019, in accordance with NNSA Supplemental Directive (SD) 206.2, the PIV background investigation process will apply to all uncleared subcontractor and lower-tier subcontractor employee(s) requiring physical access to Sandia and Department of Energy/National Nuclear Security Administration (DOE/NNSA)-owned or leased facilities and/or cyber (logical) access for more than 179 calendar days, cumulative. This includes remote access to Information Technology (IT) systems or any combination of the two. If the background investigation results in an unfavorable or denied PIV determination, access may be revoked or denied.

- **DOE O 486.1, DOE Foreign Government Talent Recruitment Programs**
  NTESs employees, subcontractor employees, and lower-tier subcontractor employees performing work under an NTESS subcontract requiring physical access to Sandia and DOE/NNSA-owned or leased facilities shall disclose to NTESs participation in a foreign government talent recruitment program of countries designated by DOE as a foreign country of risk.

**Prohibited Components, Equipment, Systems, Products, Software, and Services**

The Subcontractor shall not provide or use certain prohibited components, equipment, systems, software and services from the listed covered suppliers in performance and/or deliverables.

- Kaspersky Lab; any successor entity to Kaspersky Lab; any entity that controls, is controlled by, or is under common control with Kaspersky Lab; or any entity of which Kaspersky Lab has a majority ownership - Prohibition requirements and “covered article” definitions are stated in FAR 52.204-23 Prohibition on Contracting for Hardware, Software, and Services Developed or Provided by Kaspersky Lab and Other Covered Entities.
- Huawei Technologies Company or ZTE Corporation (or any subsidiary or affiliate of such entities) and
Hytera Communications Corporation, Hangzhou Hikvision Digital Technology Company, or Dahua
Technology Company (or any subsidiary or affiliate of such entities) - Prohibition requirements,
“covered telecommunications equipment or services,” “covered foreign country,” “critical technology,”
and “substantial or essential components” definitions are stated in 52.204-25 Prohibition on Contracting
for Certain Telecommunications and Video Surveillance Services or Equipment.

- Acronis (or any subsidiary or affiliate)

Subcontract revisions will be made beginning October 1, 2019, as applicable, in accordance with the type of
work being performed or products being provided and whether access to physical sites or cyber (logical)
systems is required.

For assistance with Supply Chain related issues or concerns about this communication, contact Supply Chain
contact supplier@sandia.gov.

For assistance with access/security requirements, contact SNL Security Connection at (505) 845-1321 or
security@sandia.gov.