



**To:** XPER, Inc. Suppliers

**Subject:** DFARS 252.204-7008, 7009, and 7012 and DoD Cyber Security Requirements

On August 26, 2015, the Department of Defense (DoD) issued a new interim rule making significant changes to the way the DoD addresses cyber security. This was updated by a second interim rule on December 30, 2015. As a supplier, XPER, Inc. wanted to ensure your awareness of the changes to the contract clauses for Defense Federal Acquisition Regulation Supplement (DFARS) 252.204.7008, 7009, and 7012 regarding cyber security and incident reporting.

**Below are some changes implemented in the clauses:**

- All Covered Defense Information, which includes Unclassified Controlled Technical Information, is now within the scope of these clauses.
- Security for systems must meet the standards set forth in NIST SP 800-171
- Reporting of incidents must be made to both the Government and the prime contractor.

“Covered Defense Information” (CDI) means unclassified information that is provided to the contractor by or on behalf of DoD in connection with the performance of the contract; or collected, developed, received, transmitted, used, or stored by or on behalf of the contractor in support of the performance of the contract; and falls in any of the following categories:

- (1) Controlled Technical Information.
- (2) Critical Information (operations security).
- (3) Export Controlled Information.
- (4) Any other information, marked or otherwise identified in the contract, that requires safeguarding or dissemination controls pursuant to and consistent with law, regulations, and Government wide policies.

The term does not include information that is lawfully publicly available without restrictions. See updated DFARS 252.204-7012 clause for full definitions.

Like the prior version of the clause, the new clause is a mandatory flowdown in subcontracts, or similar contractual instruments, for Operationally Critical Support, or for which subcontract performance will involve a Covered Contractor Information System, including subcontracts for commercial items. The new clause continues the prior clause requirement that incidents be reported within 72 hours. See updated DFARS 252.204-7012 clause for full definitions.

The new DoD rule also includes a new solicitation and contract clause at 252.204-7008 *Compliance with Safeguarding Covered Defense Information*. This clause requires identification of any proposed deviations from NIST SP 800-171. Such deviations must be accepted by DoD, including deviations applicable to subcontracts.



These new requirements are beginning to appear in XPER prime contracts, and XPER is including applicable flowdown provisions in purchase orders and terms and conditions for subcontracts where required.

Be prepared to comply with the aforementioned DFARS clauses when solicitations, contracts and purchase orders are issued by XPER.

Thank you for your commitment to our mission in delivering superb products to our customers.

