



May 21, 2025

## Information Paper

**SUBJECT:** Overview of Updates to the Standard Form 328 and Implementation Plans

**BLUF:** The updated Standard Form (SF) 328, "Certificate Pertaining to Foreign Interests," was approved on May 1, 2025, and includes several improvements to increase users' clarity and understanding of the questions and subsequent requirements. After extensive coordination and collaboration with industry and other government stakeholders, the SF 328 was updated to include better-scoped questions, comprehensive instructions, definitions, and a Statement of Full Disclosure of Foreign Affiliations used to report foreign employment through the form. This paper highlights key updates and the implementation plan provided to DCSA field elements.

### SF 328 UPDATES:

The SF 328 has notable updates and improvements to the content and instructions. All DCSA Industrial Security and Field Operations personnel and Industry are highly encouraged to review the form in its entirety to become familiar with the updates. Below are some key takeaways.

a. The SF 328 is approved for use with Section 847 of Public Law 116-92, DoD Cybersecurity Maturity Model Certification Third Party Auditor, and DoD Small Business Innovation Research and Small Business Technology Transfer programs in addition to the pre-existing collection authorities.

b. Some SF 328 questions have been updated to be more inclusive of the various facility types using the form, reduce redundancy, and be better reflective of different circumstances facilities face. Notable updates include:

- The number of questions has been condensed to nine. Nominee share and street name information previously contained in SF 328 question 8 was consolidated into question 1 relating to foreign ownership.
- Question 1 was altered to be inclusive of different types of ownership
- Question 4 was updated to include binding authority as a means of foreign control
- The reporting threshold for question 7b was lowered to 15 percent

c. Comprehensive instructions were incorporated into the SF 328 which provide clarity and specificity to industry and government stakeholders alike. The instructions clearly identify the existing information requirements for each affirmative response and will serve to reduce processing timelines and additional rounds of questioning between DCSA and the facility by ensuring sufficient SF 328 information is provided in the initial submission. They also serve as a valuable tool for facilities and DCSA field personnel who are currently reviewing and coordinating packages with the expired SF 328 as the instructions provide clear guidance on requirements for specific affirmative responses with some broken down by facility type or circumstance.

d. Policy-aligned definitions for terms used in the SF 328 and instructions were incorporated to provide consistency and a common vernacular across industry and government users.



e. A Statement of Full Disclosure of Foreign Affiliations was included for use in conjunction with affirmative responses to SF 328 question 8 concerning foreign employment of facility management. This inclusion aimed to rectify industry feedback concerning the expired SF 328's instructions, which referenced a requirement to provide a Statement of Full Disclosure of Foreign Affiliations, but did not provide an approved template for industry use.

### **IMPLEMENTATION GUIDANCE:**

Industry will have questions regarding implementation of the updated SF 328 and how it impacts their current and future NISS submissions. The information below provides guidance on industry's use of the updated SF 328.

a. The National Industrial Security System (NISS) deployed the updated SF 328 on Monday, May 12, 2025. Any packages initiated or submitted on or after May 12, 2025, will be required to use the updated SF 328.

b. Packages submitted and initiated in NISS prior to the SF 328 being deployed on May 12, 2025, will not be returned to industry for an updated SF 328. Below are examples of NISS packages which will not be returned to industry for an updated SF 328:

- Initial and changed condition NISS packages submitted before May 12, 2025
- Draft packages initiated before May 12, 2025

c. Facilities are not expected to submit a new SF 328 solely because the form has been updated. Industry will only need to submit a new SF 328 if one of the following criteria are met:

- The facility is submitting an initial facility clearance or upgrade request.
- The facility is reporting a change in foreign ownership, control, or influence impacting the SF 328.
- The facility is reporting a change in ownership resulting in a new excluded parent wherein the excluded parent must submit an SF 328.
- The facility is renewing its mitigation agreement.

d. Industry communication concerning the SF 328 will occur through Voice of Industry, the DCSA public website, DCSA social media platforms, the National Industrial Security Program Policy Advisory Committee (NISPPAC) industry lead, and industry forums such as NCMS. DCSA held an NCMS Live event on the updated SF 328 on May 7, 2025, which was recorded and available through NCMS.

### **SUMMARY:**

The updated SF 328 contains notable improvements identified through coordination and collaboration with government and industry partners which better encapsulate different facility types and circumstances, and which provide comprehensive instructions detailing required information for each affirmative response. The updated SF 328 was deployed in NISS on May 12, 2025; packages initiated before that date will be processed using the expired SF 328. Additionally, industry is not expected to submit an updated SF 328 unless they have a reportable change impacting the SF 328 or a change in ownership requiring an excluded parent SF 328. DCSA Industrial Security and Field Operations personnel are highly encouraged to review the updated SF 328 in detail to become familiar with the updates and instructions in preparation for questions from industry.