

## CLIENT ALERT

### Final Rule on Supply Chain Risk Fails to Provide Additional Guidance, Protection, or Relief from Uncertain Application

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On October 30, DoD published a final rule (a) requiring evaluation of supply chain risk when acquiring information technology that is either a covered National Security System ("NSS"), part of a covered NSS, or in support of a covered NSS; and (b) authorizing DoD to exclude primes or subs from a particular procurement if they fail to mitigate identified supply chain risks adequately. DoD made relatively modest changes to the 2013 interim rule (*e.g.*, removing the flow-down requirement applicable to subs at any tier) but largely rejected industry input (*e.g.*, declining to identify specific standards or controls to mitigate supply chain risk and declining to create a mechanism for challenging exclusion from a particular source selection).

For more information, please contact the professional(s) listed below, or your regular Crowell & Moring contact.

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