

| EXCEPTION TO SF 30, APPROVED BY NARS 5/79 | | | | |
|--|---|--|--------------------------------------|-------------|
| AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT | | | 1. CONTRACT ID CODE | PAGE 1 OF 2 |
| 2. AMENDMENT/MODIFICATION NO. 287 | 3. EFFECTIVE DATE June 20, 2012 | 4. REQUISITION/PURCHASE REQ. NO. NA27344 | 5. PROJECT NO. (If applicable) | |
| 6. ISSUED BY CODE | | 7. ADMINISTERED BY (If other than Item 6) | | |
| U.S. Department of Energy/NNSA SC M&O Contract Support Division P.O. Box 5400 Albuquerque, NM 87185-5400 | | U.S. Department of Energy/NNSA Livermore Site Office M/S L-293 7000 East Avenue Livermore, CA 94550 | | |
| 8. NAME AND ADDRESS OF CONTRACTOR (No., street, country, State, and ZIP Code) | | 9A. AMENDMENT OF SOLICITATION NO. | | |
| Lawrence Livermore National Security, LLC Lawrence Livermore National Laboratory M/S L-294 7000 East Avenue Livermore, CA 94550 | | | | |
| | | 9B. DATED (SEE ITEM 11) | | |
| | | X 10A. MODIFICATION OF CONTRACT/ ORDER NO. DE-AC52-07NA27344 | | |
| | | 10B. DATED (SEE ITEM 13) May 8, 2007 | | |
| CODE | FACILITY CODE | | | |
| 11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS | | | | |
| The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers is extended. is not extended. Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended by one of the following methods: (a) By completing Items 8 and 25, and returning ____ copies of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGEMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified. | | | | |
| 12. ACCOUNTING AND APPROPRIATION DATA (If required) see attached | | | | |
| 13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS, IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14. | | | | |
| A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN CONTRACT/ORDER NO. IN ITEM 10A. | | | | |
| B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation data, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103 (b). | | | | |
| X | C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF: Clause H-19 Modification Authority, Clause I-120 changes, and Mutual Agreement | | | |
| | D. OTHER (Specify type of modification and authority) | | | |
| E. IMPORTANT: Contractor ___ is not, _X_ is required to sign this document and return <u>2</u> copies to the issuing office. | | | | |
| 14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.) The contract is hereby modified to incorporate the following contract changes: | | | | |
| Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect | | | | |
| 15A. NAME AND TITLE OF SIGNER (Type or print) Paul Rosenkoetter, Director, Prime Contract Management | | 16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print) Ronna Promani, Contracting Officer U.S. Department of Energy/NNSA | | |
| 15B. CONTRACTOR/OFFEROR | 15C. DATE SIGNED 6/20/12 | 16B. UNITED STATES OF AMERICA | 16C. DATE SIGNED 6/21/2012 | |
| (Signature of person authorized to sign) | | By | (Signature of Contracting Officer) | |
| 30-105 | | STANDARD FORM 30 | | |

1. Clause H-6 is changed as follows: Paragraph (d), the table is changed to add the actual costs for the contract period of "10/01/2010-09/30/2011".
2. Clause H-8 is changed as follows: Paragraph (b) (1), the table is changed to add the actual costs for the contract period of "10/01/2010-09/30/2011".
3. Clause H-34 is changed to add the requirements of the Davis-Bacon Act to contraction work performed by the prime contractor. The changes are as follows:

Paragraph (a), the first two sentences are deleted.

Paragraph (c) is added as follows: "When appropriate, the Contractor may perform direct construction using direct hire employees. Requirements for the work are covered by FAR 52.222-6 Davis-Bacon Act which is incorporated by reference into this contract."

4. Clause H-35 is changed as follows:

Paragraph (d) (4) Reporting Requirements, subparagraphs (iv) to (viii) are added for the reports required by the departments iBenefits and Work Force Information Systems. The change is as follows:

- "(iv) Report of Contractor Expenditures for Employee Supplementary Compensation (Compensation and Benefits Module 6.1) in the DOE Work Force Information System (WFIS) due annually by March 15.
- (v) iBenefits reports as may be required from time to time by the Contracting Officer.
- (vi) Salary Plus Bonuses reports as may be required from time to time by the Contracting Officer.
- (vii) Report of Contractor Employment (Equal Employment Opportunity Module 6.2) in the DOE Work Force Information System (WFIS) due quarterly by January 15, April 15, July 15, and October 15.
- (viii) Report of Contractor Work Force Restructuring in the DOE Work Force Information System (WFIS) due by October 31 of the subsequent fiscal year following a formal work force restructuring action."

Paragraph (h) is modified to delete the requirements of paragraphs (3) to (5) required at transition which have been completed and retain those requirements in paragraphs (1) and (2) requiring annual updates.

Paragraph (j) is deleted in its entirety.

5. Clause H-41 and the DOE Waiver No. W(C)-2011-013 are added as attached.
6. All other terms and conditions remain unchanged.

ATTACHMENT TO MOD 287

H-41 NON-FEDERAL AGREEMENTS FOR COMMERCIALIZING TECHNOLOGY (PILOT EFFECTIVE JUNE 19, 2012 TO JUNE 18, 2015) (MOD XXX)

This Clause implements a PILOT program for a new technology transfer mechanism, Agreements for Commercialization of Technology (ACT). In accordance with the requirements specified in this Clause, the Contractor may conduct privately-sponsored research at the Contractor's risk for third parties. In performing ACT work, the Contractor may use staff and other resources associated with this Contract for the purposes of conducting research and furthering the technology transfer mission of the Department, on the condition that such use does not interfere with Contractor's activities conducted as authorized by other parts of this Contract. The resources that may be used include Government-owned or leased facilities, equipment, or other property that is either in Contractor's custody or available to the Contractor under this Contract (unless specifically excluded by the Contracting Officer). For Contractor's activities conducted under authority of this Clause, the Contractor shall provide full-cost recovery, assume indemnification and liability as provided in Paragraph 9, below, and may assume other risks normally borne by private parties sponsoring research at the Laboratory. In exchange for accepting such risks, or for other private consideration provided by the Contractor, the Contractor is authorized to negotiate separate agreements (ACT agreements) with the sponsoring third parties. Under ACT agreements, the Contractor may charge those parties additional compensation beyond the direct costs of the work at the Laboratory. Any statement of work involving Federal funds or falling within the scope of a Federally-funded contract or award (other than this Contract) shall not be eligible for an ACT transaction.

DOE and the Contractor recognize that implementation of ACT under this Clause is a PILOT program authorized by the Department and that during the PILOT either party may suggest changes to the program based on the experiences gained. Furthermore, the Contractor recognizes that the Department may decide to end the PILOT at any time and that termination of the PILOT by the Department will be in accordance with Paragraph 12, below.

1. *Authority to Perform work under this Clause.* Pursuant to the Atomic Energy Act of 1954, as amended (42 U.S.C. 2011 et seq.) and other applicable authorities, the Contractor may perform work for non-federal entities, in accordance with the requirements of this Clause.
2. *Contractor's Implementation.* The Contractor must draft, implement, and maintain formal policies, practices, and procedures in accordance with this Clause, which must be approved by the Contracting Officer and such approval, shall not be unreasonably withheld.

3. *Conditions for Participation in ACT.* The Contractor:

- a. Must not perform ACT activities that would place it in direct competition with the private sector;
- b. May only conduct work under this Clause if the work does not interfere with or adversely affect projects and programs the Contractor conducts on behalf of the Government under this Contract, and complies with FFRDC requirements applicable to the Facility. If the Government determines that an activity conducted under this Clause interferes with the Department's work under the Contract, or that termination/stay/suspension of work under an ACT agreement is in the best interest of the Government, the Contractor must stop the interfering ACT work immediately to the extent necessary to resolve the interference. At any time, the Contracting Officer may require the use of specified Government-owned or leased property and facilities for the exclusive use of the Facility's mission by providing a written notice excluding said property from the Contractor's activities under this Clause. Any cost incurred as a result of Contracting Officer decisions identified in this subparagraph shall be borne by the Contractor. The Contracting Officer shall provide to the Contractor in writing its decision, identifying the issues and reasons for the decisions. The Contractor shall be provided with a reasonable opportunity to address and resolve the issues identified by the Contracting Officer;
- c. Except as otherwise excluded in this Clause, must perform all ACT activities in accordance with the standards, policies, and procedures that apply to performance under this Contract, including but not limited to environmental, safety and health, security, safeguards and classification procedures, and human and animal research regulations;
- d. Contractor must utilize its standard Laboratory subcontracting procedures for any work subcontracted by the Laboratory under the Contract. Otherwise, the Contractor may subcontract ACT work scope that is not performed under the Contract using commercially reasonable subcontracting practices and terms. Costs for performing such subcontracting activities outside the scope of the Contract are not reimbursable under the Contract;
- e. Must make available to DOE a summary of project information for each active ACT project, consisting of: total estimated costs; project title and description; project point of contact; and, estimated start and completion dates;
- f. Is responsible for addressing the following items in ACT agreements as appropriate, as they are in non-federal WFO agreements: disposition of property acquired under the agreement, export control, notice of intellectual property infringement, and a statement that the Government and/or Contractor shall have

the right to perform similar services in the Statement of Work for other Parties as otherwise authorized by this Contract subject to applicable data restrictions;

- g. Must include a standard legal disclaimer notice on all publications generated under ACT activities. Each DOE contractor has its own pre-approved publications statement, and this should be used; and
- h. Must insert the following disclaimer in each agreement under ACT, which must be conspicuous (e.g. bold type, all capital letters, or large font) in all Agreements under ACT so as to meet the standards of due notice.

DISCLAIMER

THIS AGREEMENT IS SOLELY BETWEEN [INSERT NAME OF CONTRACTOR] ACTING IN A PRIVATE CAPACITY AND [THE OTHER IDENTIFIED PARTY(IES)]. THE UNITED STATES GOVERNMENT IS **NOT** A PARTY TO THIS AGREEMENT, THIS AGREEMENT DOES NOT CREATE ANY OBLIGATIONS OR LIABILITY ON BEHALF OF THE GOVERNMENT AND THE GOVERNMENT MAKES NO EXPRESS OR IMPLIED WARRANTY AS TO THE CONDITIONS OF THE RESEARCH OR ANY INTELLECTUAL PROPERTY, GENERATED INFORMATION, OR PRODUCT MADE OR DEVELOPED UNDER THIS AGREEMENT, OR THE OWNERSHIP, MERCHANTABILITY, OR FITNESS FOR A PARTICULAR PURPOSE OF THE RESEARCH OR RESULTING PRODUCT; THAT THE GOODS, SERVICES, MATERIALS, PRODUCTS, PROCESSES, INFORMATION, OR DATA TO BE FURNISHED HEREUNDER WILL ACCOMPLISH INTENDED RESULTS OR ARE SAFE FOR ANY PURPOSE INCLUDING THE INTENDED PURPOSE; OR THAT ANY OF THE ABOVE WILL NOT INTERFERE WITH PRIVATELY OWNED RIGHTS OF OTHERS. THE GOVERNMENT SHALL NOT BE LIABLE FOR SPECIAL, CONSEQUENTIAL, OR INCIDENTAL DAMAGES ATTRIBUTED TO SUCH RESEARCH OR RESULTING PRODUCT, INTELLECTUAL PROPERTY, GENERATED INFORMATION, OR PRODUCT MADE OR DELIVERED UNDER THIS AGREEMENT. THIS DISCLAIMER DOES NOT AFFECT ANY RIGHTS THE GOVERNMENT MAY HAVE AGAINST THIRD PARTIES ARISING FROM WORK CONDUCTED IN CONNECTION WITH THIS AGREEMENT.

4. Contracting Authority.

- a. Subject to DOE approval as described in this Paragraph, the Contractor is hereby authorized to negotiate terms and conditions between the Contractor and third parties when entering into ACT agreements. The Contractor will have no authority to bind the Government in any way with such terms and conditions. The Government will have no obligation to the Contractor due to such terms and conditions.

- b. The Contractor shall submit an ACT proposal package (Package) to the Contracting Officer for approval prior to beginning work under an ACT Agreement.
- i. A complete Package will include at a minimum: the identity of the parties to the ACT Agreement; the principal place of performance; any foreign ownership or control of the ACT Agreement parties; a Statement of Work; an estimate of costs incurred under the Contract; an anticipated schedule; identification of key Government equipment and facilities that will be used under the ACT Agreement; a list of expected deliverables; identification of the IP Lead and proposed selection of IP rights, as defined in DOE Class Waiver W(C)-2011-013; a signed certification by the private party(ies) that the Contractor offered the option to use CRADA and WFO alternatives (see Paragraph 7a) sufficiently that the private parties are aware of the relative costs and other differences between the ACT agreement and the CRADA and WFO alternatives; source of funds, including a statement that no Federal funds, including pass-through funds received as a subcontractor or partner, are being utilized to fund the agreement; applicable ES&H and NEPA documentation; a statement of consideration, summarizing the risk and/or consideration offered the private participants in exchange for charging beyond full cost recovery or for other compensation provided by the participants; and when multiple third parties are parties to the ACT Agreement, or otherwise requested by the Contracting Officer, an IP Management Plan that sets forth the proposed disposition of IP rights, and income and royalty sharing, among the parties to an ACT agreement.
 - ii. If the Contractor, Contractor's parent, member, subsidiary, or other entity in which the Contractor, Contractor's parent, member or subsidiary has an equity interest, is a party to the ACT Agreement, the Contractor shall include as necessary a project-specific addendum to the Master OCI Plan in the Package to address special circumstances not fully anticipated in the prior approved Master OCI Plan (see Paragraph 7).
 - iii. If the ACT Agreement includes a foreign entity as a party or the statement of work includes the use of human subjects, animal subjects, classified or sensitive subject matter or describes a work scope involving high risks or hazards including environmental issues, the Contractor shall include additional information as necessary or as requested by the Contracting Officer.
- c. The Contracting Officer shall use reasonable best efforts to review each complete Package submitted by the Contractor under subparagraph b. of this Paragraph within ten (10) business days of receiving the Package and provide the Contractor with approval or non-approval of the Package. The review of the complete

Package by the Contracting Officer shall include a determination that the proposed work: (1) is consistent with or complementary to DOE missions and the missions of the Facility; (2) will not adversely impact programs assigned to the Facility; (3) will not place the Facility in direct competition with the domestic private sector; and (4) will not create a detrimental future burden on DOE resources.

- d. Except as conditionally allowed under subparagraph i. below, the Contracting Officer must approve the Package before the Contractor may begin work under the proposed ACT Agreement. If the Contracting Officer rejects the Package then the Contracting Officer must provide said rejection to the Contractor in writing including the reasons for the rejection. Upon receipt of the Contracting Officer's written rejection, the Contractor agrees to not further pursue the work described in the package or incur additional costs under the Contract for the work described in the Package.
 - i. The Contractor may request a preliminary determination that the proposed scope of work is consistent with the Facility mission and the Contracting Officer will use his/her best efforts to provide such a determination within three (3) business days. Upon such a determination from the Contracting Officer the Contractor may begin work under the ACT Agreement at the Contractor's risk pending final approval of the complete Package. The Contractor must submit a complete Package, as identified in subparagraph 4b above, within (10) business days of the preliminary determination. All costs associated with the performance of work under a preliminary determination are the responsibility of the Contractor, as no Federal funds will be used to fund any work conducted under this Clause.
 - ii. If the Contractor, Contractor's parent, member, subsidiary, or other entity in which the Contractor, Contractor's parent, member or subsidiary has an equity interest is a party sponsoring work in connection with the ACT agreement, work may not commence until approval of the complete Package by the Contracting Officer
5. *Advance Payment for ACT Projects.* The Contractor shall be responsible for providing adequate advance payment for ACT work conducted under this Clause consistent with procedures defined in the Department's Financial Management Handbook. The Contractor shall be solely responsible for collecting payments from third parties for any work conducted under this Clause and such collections shall be independent of providing advance payment. For such payments and for any costs, obligations, or liabilities arising due to the Contractor's work under this Clause, the Contractor is entirely at risk and the Government shall have no risk.
6. *Costs.* All direct costs associated with Contractor's work conducted under this Clause shall be directly charged to separate and identifiable accounts in accordance with the requirements of the Department's Financial Management Handbook. An allocable

portion of indirect costs normally applied to equivalent work under this Contract shall also be applied to work conducted under this Clause in accordance with the requirements of the Financial Management Handbook. As required by the Financial Management Handbook, changes to the Handbook will be incorporated into this Clause by a unilateral administrative modification to the contract.

- a. Work conducted under this Clause shall be excluded from Contract award fee calculations and such fee shall not be allocable to work conducted under this Clause.
 - b. No Federal funds will be used to fund work conducted under this Clause.
7. *Organizational Conflict of Interest.* Contractor shall conduct work under this Clause in a manner that minimizes the appearance of conflicts of interest and avoids or neutralizes actual conflicts of interest with Contractor's functions under this Contract. Accordingly, Contractor shall develop a Master Organizational Conflict of Interest Mitigation Plan (OCI Plan). The Master OCI Plan should address OCI issues that arise as a result of the Contractor taking a financial interest in ACT projects, especially in those cases where the Contractor retains rights in ACT IP. Such Master OCI Plan shall be provided to the Contracting Officer for review and approval as soon as practicable after execution of the Contract modification incorporating this Clause into the Contract. In addition to those elements expressly stated in the Master OCI Plan, the Department may condition any ACT transaction on such other mitigating conditions it determines are appropriate. The Master OCI Plan shall, at a minimum, include elements that address the following:
- a. *Full Disclosure.* Before work can begin under an ACT transaction, all parties to ACT agreements must sign a DOE-approved certification that they have been fully informed about the availability of WFO agreements and CRADAs in addition to ACT. The certification at a minimum shall briefly describe WFO agreements, CRADAs and ACT, and will include the relative disposition of IP rights and the costs (including any additional compensation to the Contractor under ACT) under each agreement for the scope of work being proposed for the Laboratory.
 - b. *Priority of Work.* The Contractor shall not give work under ACT any special attention or priority over other work at the Laboratory. Work under ACT shall be approved by the Contracting Officer and assigned the same priority relative to other work at the Laboratory that it would normally have if performed under a non-Federal WFO agreement. The Contracting Officer has discretion to determine the agency's priority of work, considering the Contractor's input.
 - c. *Participation by Contractor-related Entity:* Where the Contractor, Contractor's parent, member, subsidiary, or other entity in which the Contractor, Contractor's parent, member or subsidiary has an equity interest, is a party to the ACT Agreement, the Contractor shall include as necessary an addendum to the Master

OCI Plan to address special circumstances not fully anticipated in the Master OCI Plan.

- d. *Right of Inquiry for ACT IP Designation.* DOE Patent Counsel may inquire into Contractor's designation of any invention or data as arising under an ACT transaction. Contractor is responsible for curing any defect identified in such inquiry, and if Contractor cannot adequately justify the designation or cure the defect, then the parties to the ACT agreement may receive modified rights in the IP to the degree necessary to resolve the issues identified by the inquiry.
8. *Intellectual Property.* Disposition of intellectual property (IP) arising from work conducted under this Clause shall be governed by Class Waiver W(C)-2011-013 (ACT Class Waiver) which is incorporated herein by reference.
- a. All Contractor ACT inventions shall be reported to DOE pursuant to the requirements of the Section I clause entitled Patent Rights Management and Operating Contracts, For-Profit Contractor, Advance Class Waiver, Alternate I, of this Contract.
 - b. In reporting ACT inventions, the Contractor shall identify the ACT agreement under which the invention was made and specify the rights reserved by the Government pursuant to the ACT Class Waiver.
 - c. All technical data identified by the ACT client as ACT Protected Information shall also be marked to identify the ACT agreement under which the data was generated.
 - d. The Contractor shall ensure that all rights and obligations concerning ACT IP, including the appropriate IP provisions authorized in the ACT Class Waiver, are clearly provided in ACT agreements, and that all parties granted any rights in ACT IP are informed of the terms of the waived rights, including the rights reserved by the Government.
 - e. Where the Contractor receives ownership or license rights to ACT IP, the Contractor may elect to commercialize the ACT IP consistent with the Technology Transfer Mission clause of this Contract.
 - f. As an alternative to subparagraph e., the Contractor may elect to retain private ownership of the ACT IP and commercialize the IP using its private funds, where no costs for patenting, licensing and marketing will be allowable under this Contract. The Contractor will share royalties collected on ACT IP with inventors in accordance with paragraph (h) of the Technology Transfer Mission clause of this Contract.
 - g. Where terms and conditions governing Data and Subject Inventions under this Contract are inconsistent with the terms of the ACT Class Waiver, the ACT Class

Waiver will control. Except as provided in this paragraph 8, licensing of ACT Subject Inventions the Contractor retains in its private capacity will not be subject to the Technology Transfer Mission clause of this Contract.

9. *Contractor Liability and Indemnification.*

a. General Indemnity.

- i. The Contractor agrees to indemnify and hold harmless the Government, the Department, and persons acting on their behalf from all liability, including costs and expenses incurred, to any person, including the ACT Participants, for injury to or death of persons or other living things or injury to or destruction of property arising out of the performance of an ACT transaction by the Government, the Department, Contractor, or persons acting on their behalf, or arising out of the use of the services performed, materials supplied, or information given hereunder by any person including the Contractor, and not directly resulting from the fault or negligence of the Government, the Department, or persons (other than the Contractor) acting on their behalf.
- ii. Subject to Contracting Officer approval, the General Indemnity set forth in (i) above shall be waived where: (1) ACT Participants are not providing material or equipment to the Contractor to be used in the performance of the Statement of Work under the ACT transaction; and (2) ACT Participants are not sending their employees to the Facility as part of the Statement of Work; and (3) the specific activities performed under the ACT transaction are normally performed at the Facility.
- iii. Notwithstanding the provisions in a (i) and a (ii) above, the Contractor shall indemnify and hold harmless the Government, the Department, and persons acting on their behalf for loss, damage, or destruction of Government property resulting from the fault or negligence of the Contractor. Such indemnification shall be subject to a liability limit of \$2,000,000 (two million dollars) per year, or such greater liability limit approved by the cognizant DOE/NNSA Program for the Facility. Above the applicable liability limit, Contractor's responsibility to the Government for such loss, damage or destruction shall be as set forth in the "Property" clause of this Contract.

- b. Intellectual Property Indemnity. The Contractor shall indemnify the Government, its agents, and employees against liability, including costs, for infringement of any United States patent, copyright, or other intellectual property arising out of any acts required or directed to be performed under the Statement of Work under an ACT transaction to the extent such acts are not already performed at the Facility. Such indemnity shall not apply to a claimed infringement that is settled

without the consent of the Contractor unless required by a court of competent jurisdiction.

c. Product Liability Indemnity.

- i. Except for any liability resulting from any negligent acts or omissions of the Government, the Contractor agrees to indemnify the Government for all damages, costs, and expenses, including attorney's fees, arising from personal injury or property damage occurring as a result of the making, using, or selling of a product, process, or service by or on behalf of the ACT Participants or the Contractor, their assignees, or licensees, which was derived from the work performed under ACT transactions. In respect to this clause, neither the Government nor the Contractor shall be considered assignees or licensees as a result of reserved Government rights in ACT IP. The indemnity set forth in this paragraph shall apply only if the Contractor shall have been informed as soon and as completely as practical by the Government of the action alleging such claim and shall have been given an opportunity, to the maximum extent afforded by applicable laws, rules, or regulations, to participate in and control its defense, and the Government shall have provided all reasonably available information and reasonable assistance requested by the Contractor. No settlement for which the Contractor would be responsible shall be made without the Contractor's consent, unless required by final decree of a court of competent jurisdiction.
- ii. Where Contractor assigns the responsibility for indemnifying the Government under subsection c (i) above to other ACT Participants, DOE agrees to seek such indemnification from the Contractor only to the extent not satisfied after reasonable efforts to obtain indemnification from those other ACT Participants.

d. Non-institutional claims and liabilities resulting from Contractor's performance of work under an ACT transaction authorized pursuant to this Clause shall not be subject to the Contract clause entitled "Insurance - Litigation and Claims." In no event shall the Contractor be reimbursed under the Contract for non-institutional claims and liabilities (and expenses incidental to such liabilities, including litigation costs, counsel fees, and judgment and settlements) incurred as a result of third party claims related to the Contractor's performance under this clause.

e. Contractor shall not include any guarantee or requirement that will obligate the Government to pay or incur any costs or create any liability on behalf of the Government in any ACT agreement or commitment the Contractor executes under authority of this Clause. The Contractor agrees if the Contractor does include such a guarantee or requirement, it will have no effect on the Government, that is, the Contractor will be responsible for any costs or liability due to such a guarantee or requirement.

10. *ACT Records.* All records associated with Contractor's activities conducted under authority of this Clause shall be treated as Contractor-owned records under the provisions of the Access to and Ownership of Records clause of this Contract.

11. *Reports and Abstracts.* The Contractor shall produce the following deliverables for each ACT Agreement:

- a. An initial abstract suitable for public release at the time the ACT transaction is approved by DOE;
- b. A non-proprietary final report, upon completion or termination of the Agreement, to include a list of subject inventions; and
- c. Where pursuant to the ACT Class Waiver, the Government reserves the right to use generated data after the particular project expires, computer software in source and executable object code format as defined within the statement of work or elsewhere within the Agreement.

12. *Termination of ACT Authority.* The PILOT Program implemented by this Clause will terminate three years from the date of the Contract modification adding this Clause to the Contract (*June 19, 2012 to June 18, 2015*), unless renewed by the Contracting Officer. The Government may provide the Contractor with written notice to terminate Contractor's authority to conduct work under this Clause at any time. If the Contractor's authority to conduct work under this Clause has expired or been terminated, the Contractor may be permitted, subject to any other provisions of this Clause, to complete any work that was DOE approved work at the time Contractor's authority to conduct work under this Clause was terminated by the Government.

13. *Successor Contractor.*

- a. To minimize the potential for negative Government programmatic impact and to facilitate seamless transition of work to a successor contractor of the Facility, ACT Agreement(s) executed under this Clause and any contractual instruments associated therewith may be novated to the successor contractor with the mutual consent of the Contractor, the successor contractor, and the parties to the affected ACT Agreement(s). If the ACT Agreement(s) cannot be novated, then the Contractor as a private sponsor shall be permitted to enter into a Non-Federal Work for Others agreement with the successor contractor that will enable completion of the statement of work. Such agreements shall be entered into pursuant to DOE WFO policies. DOE shall make good faith efforts to incorporate the terms of the applicable ACT Agreement.
- b. The Contractor may retain private ownership of any individual piece of ACT IP that it obtained during the term of the Contract if the Contractor demonstrates:

- i. the ACT IP was successfully commercialized or deployed in the commercial marketplace using private funds; or
 - ii. the Contractor expended at least \$20,000 (USD) of private funds for patenting, marketing, licensing, or maturing the ACT IP.
- c. If the Contractor has not satisfied the criteria of Subparagraph b. to this Paragraph, then the Contractor and Contracting Officer, with input from the DOE Patent Counsel providing oversight to the Facility shall, prior to expiration or termination of the Contract, enter into negotiations to determine an equitable distribution of rights in the affected ACT IP. Such negotiations shall consider the equities of the parties with respect to each piece of intellectual property including, at a minimum, the private expenditures made by the Contractor for patenting, marketing, licensing, and maturing the ACT IP up to the date of Contract expiration or termination; which party is best positioned to appropriately commercialize the ACT IP; and any other equities that may apply under the circumstances.

14. *Minimum Reporting Requirements for ACT Activities.* During the ACT PILOT, the Contractor shall maintain records of its activities related to ACT in a manner and to the extent satisfactory to DOE and specifically including, but not limited to the number of ACT agreements, the amount of funds reimbursed to DOE for work under ACT, the number of private sector entities engaged through ACT that had not previously engaged the Laboratory and the number that had not previously engaged any DOE/NNSA laboratory, the amount of funds reimbursed to DOE by newly engaged entities, the number of parties and types of entities engaged in each individual ACT agreement, and the number of invention disclosures, licenses and start-ups arising from ACT. The Contractor shall obtain from each entity engaged in ACT the entity's reason(s) for selecting ACT for laboratory engagement. Also during the PILOT, the Contractor shall report the above-identified data semiannually to DOE and in such a format which will serve to adequately inform DOE of the Contractor's activities under ACT while protecting any data not subject to disclosure under this Contract. Such records shall be made available in accordance with the clauses of this Contract pertaining to inspection, audit and examination of records.

STATEMENT OF CONSIDERATIONS

CLASS WAIVER OF THE GOVERNMENT'S DOMESTIC AND FOREIGN PATENT RIGHTS AND ALLOCATION OF DATA RIGHTS ARISING FROM THE USE OF DOE FACILITIES AND FACILITY CONTRACTORS BY OR FOR THIRD PARTY FUNDING SPONSORS UNDER AGREEMENTS FOR COMMERCIALIZING TECHNOLOGY (ACT): DOE WAIVER NO. W(C)-2011-013

Introduction

The Department of Energy (and its predecessor agencies) (collectively, "DOE" or "Department") considers each of its DOE Facilities (i.e., National Laboratories, single-purpose research facilities, and other Department facilities, hereinafter referred to individually as "Facility" or collectively as "Facilities") to be a unique and valuable national resource that should be made available to the extent feasible for non-Federal research and development activities and related technical services for third-party non-Federal funding sponsors.

Over the years, DOE has developed a number of technology transfer mechanisms that enable third-party sponsors to access DOE Facilities and expertise. These mechanisms have enabled DOE Facilities to work with businesses and academia on research and development efforts that have generated significant scientific and technological advances, spawned new businesses, and supported the creation of new industries and jobs. Building upon this successful history, the Department recently authorized a new contractual mechanism entitled "Agreements for Commercializing Technology" (ACT)¹ that complements DOE's current technology transfer mechanisms and will enable DOE Facilities to engage with the private sector in mission compatible areas using terms that are more consistent with industry practices. ACT, combined with the Department's existing technology transfer mechanisms like Work for Others Agreements (WFOs), Cooperative Research and Development Agreements (CRADAs), and User Facility Agreements, will further accelerate the movement of technology from Facilities to the marketplace and better enable the United States to compete in the global economy of the 21st century.

Under ACT, DOE authorizes its contractors that manage and operate Facilities on behalf of DOE (Facility Contractors) to conduct third-party sponsored research for the purpose of furthering the Department's technology transfer mission. Facility Contractors act as stewards of their respective Federally Funded Research and Development Centers (FFRDCs) in almost all situations, such as entering into and carrying out WFOs, CRADAs, and User Agreements. In certain well-defined situations, such as Privately-Funded Technology Transfer (PFTT) and the new ACT mechanism, Facility Contractors are permitted to act in their private capacity (Contractors-P). In exchange for assuming some of the risks and liabilities normally borne by private parties sponsoring research at DOE Facilities, and/or offering other private consideration, Contractors-P will be authorized to negotiate and execute ACT agreements² with a funding ACT Participant(s) using terms that may be more consistent with private sector agreements.

This Class Waiver applies only to work performed under ACT transactions with non-Federal funds and which is not within the scope of another Federally-funded contract or award (other than an M&O Contract). This Class Waiver enables Contractors-P and the other ACT Participant(s)³ (hereinafter referred to individually as "Party" or collectively as "Parties") to negotiate more flexible intellectual property (IP) terms

¹ See, Secretarial Memorandum entitled "Agreements Commercializing Technology (ACT) Contracting Vehicle" and dated October 21, 2011.

² An ACT transaction includes an ACT agreement entered into between Contractor-P and other ACT Participant(s), and the Management and Operating (M&O) Contract provisions that govern work to be performed at the Facility under the scope of the applicable M&O Contract.

³ "ACT Participant(s)" means a signatory to an ACT agreement that is a non-Federal entity, including contractor-P.

concerning which Party has the first option to own the IP (i.e., the designation of an IP Lead, which can be either the Contractor-P or another ACT Participant) and alternatives as to the rights the Government retains. Once an IP Lead is designated for an ACT transaction, the Parties will have the flexibility to further allocate IP rights between or amongst each other as described below. This flexible IP approach will allow the Parties to capitalize on the combined resources and expertise of ACT Participants and Facility Contractors to help accelerate the movement of technology to the marketplace.

Scope of this Class Waiver

This Class Waiver provides a waiver of DOE rights to Subject Inventions developed under ACT transactions with ACT Participants that engage Facilities for research and development and related technical services to be performed by Facility Contractors or subcontractors. This Class Waiver is granted under the authority of the Atomic Energy Act of 1954, as amended (42 U.S.C. § 2182) and Section 9 of the Federal Nonnuclear Energy Research and Development Act of 1974 (42 U.S.C. § 5908) and the regulations at 10 CFR Part 784 promulgated thereunder.

"Subject Invention" means any invention or discovery of the Contractor, either as Facility Contractor or Contractor-P, or, to the extent another ACT Participant or a Facility subcontractor is performing any work under an ACT transaction, of the ACT Participant or Facility subcontractor respectively, conceived in the course of, or under an ACT transaction or, in the case of an invention previously conceived by the Contractor-P, ACT Participant or Facility subcontractor, first actually reduced to practice in the course of or under an ACT transaction.

Since Facility subcontracts awarded under an ACT transaction (ACT subcontract) are funded with the private funds of the ACT Participants, the Bayh-Dole Act does not apply and the Department takes title to inventions made under such subcontracts unless waived. In consideration that the work is being funded with the private funds of the ACT Participants, and in order to allow the Parties to consolidate title to inventions made under privately funded ACT agreements, DOE waives its title in any Subject Invention made under an ACT subcontract to the IP Lead, subject to the terms and conditions of this Class Waiver.

Facilities should continue to follow established procedures for performing Federally funded WFOs, CRADAs, and User Agreements as specified in their M&O contracts with DOE.

The waiver of title to the IP Lead shall be automatic, and granted without a request or petition by the IP Lead, upon a determination from DOE/NNSA field Patent Counsel that:⁴

- (1) The work to be performed under the ACT transaction is not covered by another contract or arrangement falling under DOE's statutory patent policy, and is not of sufficient interest to the DOE programmatic mission responsibility to justify DOE supporting the work in whole or in part with direct program funding;
- (2) Appropriate cost reimbursement is being provided for the services performed and/or facilities used as set forth in this Class Waiver;

⁴ Since these four determinations are based on information supplied by Facility Contractors, DOE/NNSA field Patent Counsel may, at their discretion, authorize the Facility Contractor to make determinations (1), (2), (3) and (4).

- (3) The terms and conditions for the ACT agreement comply with this Class Waiver and instructions for its implementation as issued by the Assistant General Counsel for Technology Transfer and Intellectual Property (GC-62); and
- (4) The work does not involve Federal funds or fall within the scope of a Federally-funded contract or award (excluding an M&O contract for a Facility).

In most ACT transactions title to inventions will be waived to the IP Lead, however, there are certain situations where waiver of title to inventions to the IP Lead may be denied including: (1) where one of the identified exceptions (see next section) applies; or (2) because the Department, acting through the Contracting Officer and based on a determination of DOE/NNSA field Patent Counsel, finds that in a particular ACT transaction it is not in the best interest of the Government and the general public to allow the IP Lead to retain title to Subject Inventions developed under the proposed ACT transaction. This Class Waiver does not affect the Class Waivers covering CRADAs, WFOs, PROPRIETARY USER AGREEMENTS or NON-PROPRIETARY USER AGREEMENTS.

Identified Exceptions to the Class Waiver

DOE has identified several fact patterns where waiver of title to the IP Lead should be denied or would not apply. They are:

- (a) When any Subject Invention that might be made would be a research tool, (e.g., a transgenic animal etc.), and there is a Departmental and public interest in having the tool available to many potential research and commercial organizations;
- (b) When ACT Participants are either foreign-owned or -controlled or are sponsoring research on behalf of a foreign entity. However, this Class Waiver may apply to an ACT transaction under such circumstances with approval by the DOE/NNSA field Patent Counsel and with the concurrence of the cognizant FieldOffice or Headquarters program official; and
- (c) When any Federal funding is used to fund a project either directly from a Federal Agency or indirectly through a third-party recipient of Federal funds or falls within the scope of a Federally-funded contract or award (excluding an M&O contract for a Facility).

In providing advice to the Contracting Officer, DOE/NNSA field Patent Counsel is the final determiner that an exception to this Class Waiver should apply. With concurrence of DOE/NNSA field Patent Counsel, the Contracting Officer may delegate to the Facility Contractor the authority to determine whether fact pattern (a) or (c) exists. Whenever fact pattern (b) is believed to exist, DOE field Patent Counsel must approve the disposition of invention rights. Determinations regarding (a) are not mandatory and are judgment calls that should be made by balancing the needs of the Parties and the Department.

Designation of an IP Lead

The Parties will designate an IP Lead for each ACT transaction prior to submission of an ACT proposal package to the Contracting Officer. The IP Lead will be the Party that initially receives the right to own

Subject Inventions as allowed under this Class Waiver, and that assumes responsibility for further allocation of rights in Subject Inventions and other IP made under an ACT agreement (ACT IP) among the Parties. Instead of having title to Subject Inventions automatically flow to either the Contractor-P or other ACT Participants under this Class Waiver, the Parties will have the flexibility to jointly determine the optimum allocation of rights to Subject Inventions and other ACT IP for a particular transaction, including the designation of an IP Lead. The IP Lead may be the Contractor-P or another ACT Participant, however the IP Lead must be a Party to the ACT agreement.

Once the Parties have designated an IP Lead, the Parties will have the flexibility to further allocate IP between or among themselves.⁵ When requested by the Contracting Officer, the allocation of ACT IP rights must be described in a formal IP Management Plan that will be submitted to the Contracting Officer as part of an ACT approval package. An IP Management Plan shall, at a minimum, set forth the proposed allocation of ACT IP rights, and the proposed income and royalty sharing allocations, between or among the Parties.

Allocation of Intellectual Property Rights Under the Waiver

Waiver to the IP Lead Granted: Subject to the terms and conditions described herein (including appendices) or other guidance issued by DOE's Assistant General Counsel for Technology Transfer and Intellectual Property, this Class Waiver waives Government title to Subject Inventions to the designated IP Lead for each ACT transaction. The IP Lead and the other Parties can then allocate the rights to the Subject Inventions between or among themselves as they determine to be appropriate in an ACT agreement or consistent with any IP management plan, if any, for commercialization of the underlying technology. Where appropriate, the filing of patent applications is subject to DOE and other Government security regulations and requirements.

If the IP Lead does not elect to retain title to a Subject Invention, another ACT Participant may elect title to the Subject Invention within the same time period for election subject to the same requirements applicable to the IP Lead. If the IP Lead or other ACT Participant does not elect to retain title to a Subject Invention, or if the IP Lead or other party responsible for the prosecution or maintenance of a Subject Invention discontinues the filing or prosecution of a previously-elected Subject Invention or decides not to pay a maintenance fee covering a Subject Invention, the Facility Contractor will have the secondary right to take title to such inventions subject to the terms and conditions of the M&O Contract governing the right of the Facility Contractor to elect title to inventions. Where the IP Lead or other responsible party decides to discontinue filing or prosecution or suspend payment of maintenance fees, title may be offered to other interested ACT Participants before transferring title to the Facility Contractor. However, the IP Lead shall ensure that title is transferred to the Facility Contractor in a timely fashion so as to preserve any patent rights in the inventions.

Waiver to the IP Lead Denied: When waiver of title to Subject Inventions to the IP Lead has been denied (i.e., determined that an exception applies), this Waiver grants to the Facility Contractor the right to elect title to any of its Subject Inventions not otherwise reserved for DOE (e.g., inventions subject to a Bayh-Dole exceptional circumstance), subject to the terms and conditions of the Prime Contract governing the right of the Facility Contractor to elect title to inventions. (See, attached Appendix B). If a waiver of rights to the IP Lead is denied, this Class Waiver grants to the ACT Participants and Facility subcontractors the right to elect title to their own Subject Inventions, subject to the requirement to report inventions to DOE, the standard

⁵ Subject to the terms and conditions described herein (including appendices) or other guidance issued by DOE's Assistant General Counsel for Technology Transfer and Intellectual Property

Government Use License, and U.S. Preference (35 U.S.C. § 204), and such other conditions consistent with DOE patent waiver policy.

DOE shall retain title to any Subject Invention that is not retained by any one of the Parties, Facility subcontractors or the Facility Contractor and for any Subject Invention that constitutes a research tool.

In reporting Subject Inventions, the Parties shall identify the ACT agreement under which the Subject Invention was made and specify the rights (in both Subject Inventions and generated data) that have been reserved by the Government pursuant to this Class Waiver, and must otherwise be consistent with applicable laws and DOE policies.

Organizational Conflicts of Interest (OCI)

Facility Contractors shall conduct ACT in a manner that minimizes even the appearance of conflicts of interest and avoids or mitigates actual conflicts of interest with the Facility Contractor's functions under its M&O Contract with the Department. The Department conditions the application of this Class Waiver on the Facility Contractor's compliance with OCI requirements.

Government License to Subject Inventions

Under this Class Waiver, the Government will typically retain the standard Government Use License, which is a nonexclusive, nontransferable, irrevocable, paid-up license to practice or have practiced by or on behalf of the United States, any Subject Invention throughout the world.

Alternatively, the Parties may seek, subject to (a) and (b) below, for application of a narrowed Government Use License ("Government R&D License") for research and development purposes only. The Government R&D License grants to the Government, for R&D purposes only⁶, a nonexclusive, nontransferable, irrevocable, paid-up license to practice or have practiced for or on behalf of the United States, any Subject Invention throughout the world.

- (a) Any use of the Government R&D License must be accompanied by expanded Government access to data generated under the ACT transaction. Specifically, if an ACT transaction is to include a patent rights clause having the narrower Government R&D License, then the proprietary data clause must be replaced with a "Protected ACT Information" data clause (see attached Appendix C) that limits the period of protection for generated data to no more than five (5) years.⁷ Subject to DOE/NNSA field Patent Counsel approval and the mutual agreement of the Parties, the period of protection for Protected ACT Information may be extended for one extension term that is no more five (5) years in duration and which begins immediately upon expiration of the initial period of protection.

⁶ R&D purpose includes all research, development and demonstration activities by or on behalf of the Government, including uses at Federal Facilities to perform work under privately-sponsored agreements.

⁷ See, Secretarial Memorandum entitled "Agreements Commercializing Technology (ACT) Contracting Vehicle" and dated October 21, 2011, approving increased flexibility in Government Rights.

- (b) The application of the Government R&D License requires approval by DOE/NNSA field Patent Counsel after consulting with the cognizant DOE Program Office because application of the narrower Government R&D License may affect ongoing programs at either DOE or another Federal Agency.⁸

The Government R&D License will not be allowed for ACT transactions related to national security.⁹ Special attention also should be given to proposed ACT transactions involving environmental management programs, or in situations where the ACT transaction involves work to be performed for the Facility Contractor, Facility Contractor's parent, member, subsidiary, or other entity in which the Facility Contractor, Facility Contractor's parent, member or subsidiary has an equity interest. The foregoing examples of special circumstances are not exhaustive.

The Allocation of Data Rights

Greater Data Rights for Generated Data: DOE has traditionally allowed Sponsors in Non-Federal WFO agreements to designate generated data by most Facilities as "Proprietary Data" as long as the funding is not from Federal sources (referred to herein as "enhanced data protection"). Unless prohibited or limited by this Class Waiver, DOE authorizes the same enhanced data protection for data generated under ACT transactions.

Enhanced data protection is not appropriate or warranted in a number of situations, even where the full Government Use License is retained for Subject Inventions. In those cases, this Class Waiver allows the flexibility to negotiate greater data rights. Specifically, the applicability of enhanced data protection, including proprietary or protected data protection to foreign ACT Participants is not automatic and requires approval from DOE/NNSA field Patent Counsel with input from the applicable HQ Program Office as appropriate.

Other situations in which enhanced data protection may not be appropriate or warranted are: (1) ACT Participant(s) is/are not providing proprietary information or material to the Facility; (2) the ACT Participant(s) is/are not likely to use the results of the work for commercial activity or is an institution that does not want to assert proprietary rights in the data to the exclusion of any rights in the Government; (3) the ACT Participant(s) cannot show that the primary use of the data will be in the United States rather than in a foreign country; (4) the ACT Statement of Work is directly related to specific ongoing projects (this is an instance where perhaps 5-year protection might be appropriate); (5) the ACT Statement of Work requires only a paper study and is not directed to a particular commercial product of the ACT Participant(s) (this is an instance where unlimited data rights in the Government might be appropriate); (6) per this Class Waiver, title to some of the Subject Inventions remains at the Facility pursuant to the M&O Contract; (7) any benefit to the U.S. Government would be lost by the removal of the data from the Facility. As previously noted, if an ACT transaction includes the narrower Government R&D License for Subject Inventions, then the proprietary data clause must be replaced with a "Protected ACT Information" data clause (See, Appendix C) that limits the period of protection for generated data to no more than five (5) years unless extended as previously described.

⁸ DOE program offices may grant blanket approvals or issue blanket denials for the use of the Government R&D License in certain program areas.

⁹ The scope of subject matter that will not be eligible for performance under an ACT transaction on the basis of this national security exclusion will be described in guidance issued by cognizant Program Offices.

DOE recognizes that some Facility Contractors have a policy prohibiting the protection of Facility Technical Data and provides alternate language to comply with this policy. Nothing in this Class Waiver shall prevent a Facility Contractor from applying the same policy for ACT transactions.

Greater Data Rights for Government and Facility: Before an ACT transaction is entered into, the Facility Contractor or the Department may require that greater data rights be obtained for the Government or the Facility. The data rights acquired by the Government/Facility depend on the circumstances, and can range from unlimited rights to some lesser level of protection, such as a period of protection (e.g., five (5) years), or having only part of the data being proprietary to one of the Parties. The Department or the Facility Contractor can also obtain greater rights in copyright, especially where the transaction covers work that is derivative of prior work at the DOE Facility.

Elimination of March-In Rights

This Class Waiver does not apply the Government's march-in rights to Subject Inventions, subject to the exception below where title is retained by the Facility Contractor instead of Contractor-P. Although rarely, if ever exercised, these rights were often perceived as a barrier to access by industry and were not statutorily mandated in the case of a Sponsor privately funding WFO work at a Facility. The decision to not apply march-in rights to ACT Subject Inventions elected by the IP Lead aims to maximize the availability of DOE Facilities to funding sponsors who have made substantial private investment in proprietary technology and to enhance the potential for such technology to be further commercialized. Because the Government still retains a Government license in any Subject Inventions, the Government's interests are believed to be adequately protected in the absence of such march-in rights. All Subject Inventions will continue to be subject to the requirements of the U.S. Preference clause pursuant to 35 U.S.C. § 204.

Subject Inventions that revert to the Facility Contractor and are elected under the applicable M&O Contract will be governed by the provisions of the applicable M&O Contract

Intellectual Property Terms for ACT Transactions¹⁰

When it has been determined that waiver of title to Subject Inventions to the IP Lead is appropriate, work performed under an ACT transaction will be pursuant to the standard intellectual property terms and conditions attached hereto as Appendix A.

In situations where waiver of title to Subject Inventions to the IP Lead has been denied (e.g., due to the application of one of the exceptions to this Class Waiver), the work performed under an ACT transaction will be pursuant to the intellectual property terms attached hereto as Appendix B.

When it has been determined that waiver of title to Subject Inventions to the IP Lead is appropriate and the Parties have been granted a request to incorporate the limited Government R&D License for Subject

¹⁰ For ACT transactions where no research, development, or demonstration is to be conducted in performance of the Scope of Work, the patent rights clause may be reserved. The Facility Contractor must timely notify local DOE/NNSA field Patent Counsel before entering into an ACT agreement of its intent to reserve the patent rights clause. Failure to include the applicable patent provisions may result in Government ownership of Subject Inventions.

Inventions, work performed under an ACT transaction will be pursuant to the alternate intellectual property terms and conditions attached hereto as Appendix C.

With not less than thirty (30) days notice to Facility Contractors, the DOE Assistant General Counsel for Technology Transfer and Intellectual Property may periodically update the terms found in Appendices A, B, and C by issuing administrative updates to this Class Waiver. A Facility Contractor may utilize local variants of these terms and conditions as long as DOE/NNSA field Patent Counsel has determined in writing that such terms are the legal equivalent.

Subject to a reserved Government Use License as appropriate, the Parties may assert copyright to any data generated within the scope of an ACT transaction and exercise discretion in allocating such copyright rights between the Parties.

Commercialization of ACT IP by the Facility Contractor

If appropriate under the terms of this Class Waiver:

Either Contractor-P or another ACT Participant may be designated as the IP Lead under an ACT transaction and commercialize ACT IP using its private funds, where no costs for patenting, licensing and marketing the ACT IP will be allowable under the applicable M&O Contract. The Contractor-P will share royalties collected as a result of commercializing ACT IP with inventors in accordance with paragraph (h) of the Technology Transfer Mission clause of the applicable M&O Contract.

If the Facility Contractor receives ownership or license rights to ACT IP, then the ACT IP will be treated as other Subject Inventions or data under the applicable M&O Contract and the costs associated with patenting, licensing and marketing such ACT IP may be allowable.

Conclusion

Providing the disposition of intellectual property rights described herein will best encourage the utilization and further development of the technology developed at DOE Facilities. Accordingly, this Class Waiver is consistent with the objectives and considerations of DOE's waiver regulations set forth in 10 CFR 784.

The Assistant General Counsel for Technology Transfer and Intellectual Property shall be responsible for issuing instructions for implementation of this Class Waiver in accordance with DOE regulations for the waiver of patent rights.

Brian J. Lally
Assistant Chief Counsel
Intellectual Property Law Division
DOE Chicago Office

Date: 3/13/2012

Based on the foregoing Statement of Considerations, it is determined that the interests of the United States and the general public will be served by a waiver of patent rights of the scope determined above, and, therefore, the waiver is granted.

CONCURRENCE:

Under Secretary for Science

Date: 5/1/12

Under Secretary for Energy

Date: MAY 1, 2012

Under Secretary for Nuclear Security

Date: 5/1/12

APPROVAL:

John T. Lucas
Assistant General Counsel for Technology Transfer
and Intellectual Property (GC-62)

Date: May 3, 2012

APPENDIX A- INTELLECTUAL PROPERTY RIGHTS (STANDARD)

PATENT RIGHTS - (WAIVER TO THE IP LEAD GRANTED WITH FULL GOV. LICENSE)

1. The following definitions shall be used for this Clause.

- A. "Facility Contractor" means [NAME OF CONTRACTOR] as Operator of [NAME OF FACILITY], operating under DOE Prime Contract No. [INSERT] or any successor contractor thereof.
- B. "Contractor-P" means Facility Contractors' private capacity in which they are not acting in their capacity as M&O contractor for their respective Facilities.
- C. "IP Lead" means the designated Party that will have the ability to elect to retain initial title to Subject Inventions developed under this Agreement subject to the terms and conditions described in this Clause.
- D. "ACT Participant" means a non-Federal entity that is a signatory to this Agreement, including Contractor-P.
- E. "Subject Invention" means any invention or discovery of the Contractor, either as Facility Contractor or Contractor-P, or, to the extent another ACT Participant or a Facility subcontractor is performing any work under this Agreement, of the ACT Participant or Facility subcontractor respectively, conceived in the course of, or under this Agreement or, in the case of an invention previously conceived by the Contractor-P, ACT Participant or Facility subcontractor, first actually reduced to practice in the course of or under this Agreement. "Subject Invention" includes any art, method, process, machine, manufacture, design or composition of matter, or any new and useful improvement thereof, or any variety of plant, whether patented under the Patent Laws of the United States of America or any foreign country, or unpatented.
- F. "Patent Counsel" means the DOE/NNSA field Patent Counsel assisting the procuring activity which has the administrative responsibility for the Facility where the work under this Agreement is to be performed.

2. Rights of the IP Lead

A. Election to Retain Rights

Subject to the provisions of Paragraph 3 with respect to any Subject Invention reported and elected in accordance with Paragraph 4 of this Clause, the IP Lead may elect to retain the entire right, title, and interest throughout the world to each Subject Invention and any patent application filed in any country on a Subject Invention and in any resulting patent secured by the IP Lead. Where appropriate, the filing of patent applications by the IP Lead is subject to DOE and other Government security regulations and requirements.

3. Rights of Facility Contractor and Government

A. Assignment to either the Facility or the Government

The IP Lead or other party that has assumed the responsibilities of the IP Lead for a Subject Invention agrees to assign to either the Facility Contractor or the Government, as requested by the Facility

Contractor or by DOE, the entire right, title, and interest in any country to each Subject Invention for which the IP Lead or other ACT Participant:

- (1) does not elect pursuant to this Clause to retain such rights; or
- (2) elects to retain title to a Subject Invention pursuant to Paragraph 2. but where the IP Lead or other party responsible for the prosecution or maintenance of a Subject Invention fails to have a patent application filed in that country on the Subject Invention or decides not to continue prosecution or not to pay any maintenance fees covering the invention.

B. Terms and Conditions of Waived Rights

- (1) To preserve the Facility Contractor's and the Government's residual rights to Subject Inventions, and in patent applications and patents on Subject Inventions, the IP Lead shall take all actions in electing, filing on, prosecuting, and maintaining invention rights promptly, but in any event, in sufficient time to satisfy domestic and foreign statutory and regulatory time requirements. or, if the IP Lead or other party responsible for the prosecution or maintenance of a Subject Invention decides not to take appropriate steps to protect the invention rights, it shall notify the Facility Contractor in sufficient time to permit either the Facility Contractor or the Government to file, prosecute, and maintain patent applications and any resulting patents prior to the end of such domestic or foreign statutory or regulatory time requirements.
- (2) The IP Lead or other party that has assumed the responsibilities of the IP Lead for a Subject Invention shall convey or ensure the conveyance of any executed instruments necessary to vest in either the Facility or the Government the rights set forth in this Clause.
- (3) With respect to any Subject Invention in which a party other than the Government retains title, the Government retains a non-exclusive, nontransferable, irrevocable, paid-up license to practice or have practiced by or on behalf of the United States the Subject Invention throughout the world.
- (4) The IP Lead or other party that has assumed the responsibilities of the IP Lead for a Subject Invention shall ensure that the Government is provided a copy of any patent application filed on a Subject Invention within 6 months after such application is filed, including its serial number and filing date.
- (5) Preference for U.S. Industry. Notwithstanding any other provision of this Clause, any ACT Participant retaining title to a Subject Invention agrees that neither it nor any assignee will grant to any person the exclusive right to use or sell any Subject Invention in the United States unless such person agrees that any products embodying the Subject Invention or produced through the use of the Subject Invention will be manufactured substantially in the United States. However, in individual cases, the requirement for such an agreement may be waived by DOE upon a showing by the ACT Participant retaining title or its assignee that reasonable but unsuccessful efforts have been made to grant licenses on similar terms to potential licensees that would be likely to manufacture substantially in the United States or that under the circumstances domestic manufacture is not commercially feasible.
- (6) The IP Lead or other party that has assumed the responsibilities of the IP Lead for a Subject Invention agrees to refund any amounts received as royalty charges on any Subject Invention in

procurement by or on behalf of the Government and to provide for that refund in any instrument transferring rights to any party in the invention.

- (7) The specification of any United States patent applications and any patent issuing thereon covering a Subject Invention must include the following statement. "The Government has rights in this invention pursuant to *(specify this underlying Agreement)*."

4. Invention Identification, Disclosures, and Reports

- A. The ACT Participant(s) shall furnish the IP Lead a written report containing full and complete technical information concerning each Subject Invention it makes within 6 months after conception or first actual reduction to practice, whichever occurs first, in the course of or under this Agreement, but in any event prior to any on sale, public use, or public disclosure of such invention known to the Parties. The report shall identify this Agreement and inventor and shall be sufficiently complete in technical detail and appropriately illustrated by sketch or diagram to convey to one skilled in the art to which the invention pertains a clear understanding to the extent known at the time of disclosure, of the nature, purpose, operation, and to the extent known, the physical, chemical, biological, or electrical characteristics of the invention. The IP Lead shall provide the written report to Patent Counsel and shall notify DOE within 6 months of the date of such report and shall include any election of patent rights under this Clause. When an invention is reported under this Paragraph 4.A., it shall be presumed to have been made in the manner specified in Section (a)(1) and (2) of 42 USC 5908.
- B. The Facility Contractor shall report to DOE Subject Inventions it makes in accordance with the procedures set forth in Contract DE-AC52-07NA27344. In addition, the Facility Contractor shall disclose to the ACT Participant(s) and IP Lead at the same time as disclosure to DOE any Subject Inventions made by the Facility Contractor under this Agreement and the IP Lead shall notify DOE within 6 months of receipt of such disclosure any election of patent rights under this Clause.
- C. Requests for extension of time for election under Subparagraphs A. and B. may be granted by Patent Counsel for good cause shown in writing.

5. Limitation of Rights

Nothing contained in this Clause shall be deemed to give the Government any rights with respect to any invention other than a Subject Invention except as set forth in the Facilities License of Paragraph 6.

6. Facilities License

In addition to the rights of the Parties with respect to Subject Inventions, the ACT Participants agree to and do hereby grant to the Government an irrevocable, non-exclusive, paid-up license in and to any inventions or discoveries regardless of when conceived or first actually reduced to practice, which at any time, through completion of work under this Agreement, are incorporated in the facility as a result of this Agreement to such an extent that the facility is not restored to the condition existing prior to this Agreement: (1) to practice or to have practiced by or for the Government at the facility; and (2) to transfer such license with the transfer of the facility. The acceptance or exercise by the Government of the aforesaid rights and license shall not prevent the Government at any time from contesting the enforceability, validity, or scope of, or title to, any rights or patents herein licensed.

7. Early Termination of Agreement

The terms and conditions of this Clause shall survive this Agreement, in the event that this Agreement is terminated before completion of the Statement of Work.

RIGHTS IN TECHNICAL DATA – PROPRIETARY DATA PROTECTION

1. The following definitions shall be used for this Clause.

- A. "Facility Contractor" means [NAME OF CONTRACTOR] as Operator of [NAME OF FACILITY], operating under DOE Prime Contract No. [INSERT] or any successor contractor thereof.
 - B. "Contractor-P" means Facility Contractors' private capacity in which they are not acting in their capacity as M&O contractor for their respective Facilities.
 - C. "IP Lead" means the designated Party that will have the ability to elect to retain initial title to Subject Inventions developed under this Agreement subject to the terms and conditions described in this Clause.
 - D. "ACT Participant" means a non-Federal entity that is a signatory to this Agreement, including Contractor-P.
 - E. "Generated Information" means information produced in the performance of this Agreement and Facility subcontracts under this Agreement.
 - E. "Proprietary Information" means information which is developed at private expense, is marked as Proprietary Information, and embodies: (1) trade secrets; or (2) commercial or financial information which is privileged or confidential under the Freedom of Information Act (5 USC 552 (b)(4)).
 - F. "Unlimited Rights" means the right to use, disclose, reproduce, prepare derivative works, distribute copies to the public, and perform publicly and display publicly, in any manner and for any purpose, and to have or permit others to do so.
2. For the work to be performed at the DOE/NNSA facility, the Parties agree to furnish to the Facility Contractor or leave at the facility that information, if any, which is: (1) essential to the performance of work by the Facility Contractor personnel; or (2) necessary for the health and safety of such personnel in the performance of the work. Any information furnished to the Facility Contractor shall be deemed to have been delivered with Unlimited Rights unless marked as Proprietary Information. Any party furnishing information agrees that it has the sole responsibility for appropriately identifying and marking all documents containing Proprietary Information.
3. The ACT Participants may designate as Proprietary Information any Generated Information where such data would embody trade secrets or would comprise commercial or financial information that is privileged or confidential if it were obtained from a third party. Such Proprietary Information will, to the extent permitted by law, be maintained in confidence and disclosed or used by the Facility Contractor (under suitable protective conditions) only for the purpose of carrying out the Facility Contractor's responsibilities under this Agreement. Upon completion of activities under this Agreement, such Proprietary Information will be disposed of as requested by the IP Lead. Before the Facility Contractor releases data associated with this

Agreement to anyone other than the Parties to this Agreement, the ACT Participant(s) will be afforded the opportunity to review that data to ascertain whether it is Proprietary Information and to mark it as such.

4. The Government and Facility Contractor agree not to disclose properly marked Proprietary Information to anyone other than the ACT Participants without written approval of the disclosing party, except to Government employees who are subject to the statutory provisions against disclosure of confidential information set forth in the Trade Secrets Act (18 USC 1905). The Government and Facility Contractor shall have the right, at reasonable times up to three (3) years after the termination or completion of this Agreement, to inspect any information designated as Proprietary Information, for the purpose of verifying that such information has been properly identified as Proprietary Information.
5. The ACT Participant(s) is solely responsible for the removal of all of its Proprietary Information from the facility by or before termination of this Agreement. The Government and Facility Contractor shall have Unlimited Rights in any information which is not removed from the Facility by termination of this Agreement. The Government and Facility shall have Unlimited Rights in any Proprietary Information which is incorporated into the facility or equipment under this Agreement to such extent that the facility or equipment is not restored to the condition existing prior to such incorporation.
6. The Government shall have Unlimited Rights in all Generated Information produced or information provided to the Facility Contractor by the Parties under this Agreement, except for information which is disclosed in a Subject Invention disclosure being considered for patent protection, or which is marked as being Proprietary Information.
7. Copyrights. The ACT Participants may assert Copyright in any of their Generated Information, and may also require the Facility Contractor, at the Participants' expense, to register copyright and assign copyright to the IP Lead in any Generated Information produced by the Facility Contractor which the ACT Participants wish to copyright. Subject to the other provisions of this clause, and to the extent copyright is asserted, the Government reserves for itself and others acting in its behalf, a paid-up, world-wide, irrevocable, non-exclusive license for Governmental purposes to publish, distribute, translate, duplicate, exhibit, prepare derivative works, and perform any such copyrighted works.
8. The terms and conditions of this Clause shall survive this Agreement, in the event that this Agreement is terminated before completion of the Statement of Work.

APPENDIX B- INTELLECTUAL PROPERTY RIGHTS-(ALTERNATE I)

PATENT RIGHTS (WAIVER TO THE IP LEAD DECLINED OR DENIED)

1. The following definitions shall be used for this Clause.
 - A. "Subject Invention" means any invention or discovery of the Contractor, either as Facility Contractor or Contractor-P, or, to the extent another ACT Participant or a Facility subcontractor is performing any work under this Agreement, of the ACT Participant or Facility subcontractor respectively, conceived in the course of, or under this Agreement or, in the case of an invention previously conceived by the Contractor-P, ACT Participant or Facility subcontractor, first actually reduced to practice in the course of or under this Agreement. "Subject Invention" includes any art, method, process, machine, manufacture, design or composition of matter, or any new and useful improvement thereof, or any variety of plant, whether patented under the Patent Laws of the United States of America or any foreign country, or unpatented.
 - B. "Facility Contractor" means [NAME OF CONTRACTOR] as Operator of [NAME OF FACILITY], operating under DOE Prime Contract No. [INSERT] or any successor contractor thereof.
 - C. "Contractor-P" means Facility Contractors' private capacity in which they are not acting in their capacity as M&O contractor for their respective Facilities.
 - D. "ACT Participant" means a non-Federal entity that is a signatory to this Agreement including Contractor- P.
2. Any Subject Invention made by the Facility Contractor under this Agreement will be governed by the provisions of the Facility Prime Contract with the DOE.
3. The ACT Participant(s) and Facility subcontractor(s), as applicable, may retain title to their own Subject Inventions, subject to, the Government retaining a non-exclusive, nontransferable, irrevocable, paid-up license to practice or have practiced by or on behalf of the United States the Subject Inventions throughout the world, a requirement to report their Subject Inventions to DOE within 6 months after conception or first actual reduction to practice, whichever occurs first, in the course of or under this Agreement, U.S. Preference (35 U.S.C. § 204), and such other conditions consistent with DOE patent waiver policy.

RIGHTS IN TECHNICAL DATA (UNLIMITED RIGHTS/NONPROPRIETARY)

1. The following definitions shall be used for this Clause.
 - A. "Facility Contractor" means [NAME OF CONTRACTOR] as Operator of [NAME OF FACILITY], operating under DOE Prime Contract No. [INSERT] or any successor contractor thereof.
 - B. "Contractor-P" means Facility Contractors' private capacity in which they are not acting in their capacity as M&O contractor for their respective Facilities.
 - C. "ACT Participant" means a non-Federal entity that is a signatory to this Agreement, including Contractor-P.
 - D. "Generated Information" means information produced in the performance of this Agreement or any Facility subcontract under this Agreement.

- I. "Proprietary Information" means information which is developed at private expense, is marked as Proprietary Information, and embodies; (1) trade secrets; or (2) commercial or financial information which is privileged or confidential under the Freedom of Information Act (5 USC 552 (b)(4)).
 - F. "Unlimited Rights" means the right to use, disclose, reproduce, prepare derivative works, distribute copies to the public, and perform publicly and display publicly, in any manner and for any purpose, and to have or permit others to do so.
2. For the work to be performed at the DOE/NNSA facility, the Parties agree to furnish to the Facility Contractor or leave at the facility that information, if any, which is: (1) essential to the performance of work by the Facility Contractor personnel; or (2) necessary for the health and safety of such personnel in the performance of the work. Any information furnished to the Facility Contractor shall be deemed to have been delivered with Unlimited Rights unless marked as Proprietary Information. The Party furnishing the Proprietary information agrees that it has the sole responsibility for appropriately identifying and marking all documents containing Proprietary Information.
 3. The ACT Participant(s), Contractor, either as Facility Contractor or Contractor-P, and the Government shall have Unlimited Rights in all Generated Information, except for information which is disclosed in a Subject Invention disclosure being considered for patent protection.
 4. The Government and Facility Contractor agree not to disclose properly marked Proprietary Information without written approval of the disclosing party, except to Government employees who are subject to the statutory provisions against disclosure of confidential information set forth in the Trade Secrets Act (18 USC 1905).
 5. The ACT Participant(s) is solely responsible for the removal of all of its Proprietary Information from the facility by or before termination of this Agreement. The Government and Facility Contractor shall have Unlimited Rights in any information which is not removed from the facility by termination of this Agreement. The Government and Facility Contractor shall have Unlimited Rights in any Proprietary Information which is incorporated into the facility or equipment under this Agreement to such extent that the facility or equipment is not restored to the condition existing prior to such incorporation.
 6. The Government shall have Unlimited Rights in all Generated Information produced or information provided to the Facility Contractor by the ACT Participants under this Agreement, except for information which is disclosed in a Subject Invention disclosure being considered for patent protection, or which is marked as being Proprietary Information.
 7. Copyrights. The ACT Participants may assert Copyright in any of their Generated Information. Subject to the other provisions of this clause, and to the extent copyright is asserted, the Government reserves for itself and others acting in its behalf, a paid-up, world-wide, irrevocable, non-exclusive license for Governmental purposes to publish, distribute, translate, duplicate, exhibit, prepare derivative works, and perform any such copyrighted works.
 8. The terms and conditions of this Clause shall survive this Agreement, in the event that this Agreement is terminated before completion of the Statement of Work.

APPENDIX C- INTELLECTUAL PROPERTY RIGHTS (ALTERNATE II)

PATENT RIGHTS - (WAIVER TO THE IP LEAD GRANTED WITH GOV. R&D LICENSE)

1. The following definitions shall be used for this Clause.
 - A. "Facility Contractor" means [NAME OF CONTRACTOR] as Operator of [NAME OF FACILITY], operating under DOE Prime Contract No. [INSERT] or any successor contractor thereof.
 - B. "Contractor-P" means Facility Contractors' private capacity in which they are not acting in their capacity as M&O contractor for their respective Facilities.
 - C. "IP Lead" means the designated Party that will have the ability to elect to retain initial title to Subject Inventions developed under this Agreement subject to the terms and conditions described in this Clause.
 - D. "ACT Participant" means a non-Federal entity that is a signatory to this Agreement, including Contractor-P.
 - E. "Subject Invention" means any invention or discovery of the Contractor, either as Facility Contractor or Contractor-P, or, to the extent another ACT Participant or a Facility subcontractor is performing any work under this Agreement, of the ACT Participant or Facility subcontractor respectively, conceived in the course of, or under this Agreement or, in the case of an invention previously conceived by the Contractor-P, ACT Participant or Facility subcontractor, first actually reduced to practice in the course of or under this Agreement. "Subject Invention" includes any art, method, process, machine, manufacture, design or composition of matter, or any new and useful improvement thereof, or any variety of plant, whether patented under the Patent Laws of the United States of America or any foreign country, or unpatented.
 - F. "Patent Counsel" means the DOE/NNSA field Patent Counsel assisting the procuring activity which has the administrative responsibility for the Facility where the work under this Agreement is to be performed.

2. Rights of the IP Lead

A. Election to Retain Rights

Subject to the provisions of Paragraph 3 with respect to any Subject Invention reported and elected in accordance with Paragraph 4 of this Clause, the IP Lead may elect to retain the entire right, title, and interest throughout the world to each Subject Invention and any patent application filed in any country on a Subject Invention and in any resulting patent secured by the IP Lead. Where appropriate, the filing of patent applications by the IP Lead is subject to DOE and other Government security regulations and requirements.

3. Rights of Facility Contractor and Government

A. Assignment to either the Facility or the Government

The IP Lead or other party that has assumed the responsibilities of the IP Lead for a Subject Invention agrees to assign to either the Facility Contractor or the Government, as requested by the Facility

Contractor or by DOE, the entire right, title, and interest in any country to each Subject Invention for which the IP Lead or other ACT Participant:

- (1) does not elect pursuant to this Clause to retain such rights; or
- (2) elects to retain title to a Subject Invention pursuant to Paragraph 2, but where the IP Lead or other party responsible for the prosecution or maintenance of a Subject Invention fails to have a patent application filed in that country on the Subject Invention or decides not to continue prosecution or not to pay any maintenance fees covering the invention.

B. Terms and Conditions of Waived Rights

- (1) To preserve the Facility Contractor's and the Government's residual rights to Subject Inventions, and in patent applications and patents on Subject Inventions, the IP Lead shall take all actions in electing, filing on, prosecuting, and maintaining invention rights promptly, but in any event, in sufficient time to satisfy domestic and foreign statutory and regulatory time requirements, or, if the IP Lead or other party responsible for the prosecution or maintenance of a Subject Invention decides not to take appropriate steps to protect the invention rights, it shall notify the Facility Contractor in sufficient time to permit either the Facility Contractor or the Government to file, prosecute, and maintain patent applications and any resulting patents prior to the end of such domestic or foreign statutory or regulatory time requirements.
- (2) The IP Lead or other party that has assumed the responsibilities of the IP Lead for a Subject Invention shall convey or ensure the conveyance of any executed instruments necessary to vest in either the Facility or the Government the rights set forth in this Clause.
- (3) With respect to any Subject Invention in which a party other than the Government retains title, the Government retains for research and development purposes¹, a non-exclusive, nontransferable, irrevocable, paid-up license to practice or have practiced by or on behalf of the United States the Subject Invention throughout the world.
- (4) The IP Lead shall ensure that the Government is provided a copy of any patent application filed on a Subject Invention within 6 months after such application is filed, including its serial number and filing date.
- (5) Preference for U.S. Industry. Notwithstanding any other provision of this Clause, any ACT Participant retaining title to a Subject Invention agrees that neither it nor any assignee will grant to any person the exclusive right to use or sell any Subject Invention in the United States unless such person agrees that any products embodying the Subject Invention or produced through the use of the Subject Invention will be manufactured substantially in the United States. However, in individual cases, the requirement for such an agreement may be waived by DOE upon a showing by the ACT Participant retaining title or its assignee that reasonable but unsuccessful efforts have been made to grant licenses on similar terms to potential licensees that would be likely to

¹ Research and development purposes includes all research, development and demonstration activities by or on behalf of the Government, including uses at Federal Facilities to perform work under privately-sponsored agreements.

manufacture substantially in the United States or that under the circumstances domestic manufacture is not commercially feasible.

- (6) The IP Lead or other party that has assumed the responsibilities of the IP Lead for a Subject Invention agrees to refund any amounts received as royalty charges on any Subject Invention in procurement by or on behalf of the Government and to provide for that refund in any instrument transferring rights to any party in the invention.
- (7) The specification of any United States patent applications and any patent issuing thereon covering a Subject Invention must include the following statement. "The Government has rights in this invention pursuant to (*specify this underlying Agreement*)."

4. Invention Identification, Disclosures, and Reports

- A. The ACT Participant(s) shall furnish the IP Lead a written report containing full and complete technical information concerning each Subject Invention it makes within 6 months after conception or first actual reduction to practice, whichever occurs first, in the course of or under this Agreement, but in any event prior to any on sale, public use, or public disclosure of such invention known to the Parties. The report shall identify this Agreement and inventor and shall be sufficiently complete in technical detail and appropriately illustrated by sketch or diagram to convey to one skilled in the art to which the invention pertains a clear understanding to the extent known at the time of disclosure, of the nature, purpose, operation, and to the extent known, the physical, chemical, biological, or electrical characteristics of the invention. The IP Lead shall provide the written report to Patent Counsel and shall notify DOE within 6 months of the date of such report and shall include any election of patent rights under this Clause. When an invention is reported under this Paragraph 4.A., it shall be presumed to have been made in the manner specified in Section (a)(1) and (2) of 42 USC 5908.
- B. The Facility Contractor shall report to DOE Subject Inventions it makes in accordance with the procedures set forth in Contract DE-AC52-07NA27344. In addition, the Facility Contractor shall disclose to the ACT Participant(s) and IP Lead at the same time as disclosure to DOE any Subject Inventions made by the Facility Contractor under this Agreement and the IP Lead shall notify DOE within 6 months of receipt of such disclosure any election of patent rights under this Clause.
- C. Requests for extension of time for election under Subparagraphs A. and B. may be granted by Patent Counsel for good cause shown in writing.

5. Limitation of Rights

Nothing contained in this Clause shall be deemed to give the Government any rights with respect to any invention other than a Subject Invention except as set forth in the Facilities License of Paragraph 6.

6. Facilities License

In addition to the rights of the Parties with respect to Subject Inventions, the ACT Participants agree to and do hereby grant to the Government an irrevocable, non-exclusive, paid-up license in and to any inventions or discoveries regardless of when conceived or first actually reduced to practice, which at any time, through completion of work under this Agreement, are incorporated in the facility as a result of this Agreement to such an extent that the facility is not restored to the condition existing prior to this Agreement: (1) to practice

or to have practiced by or for the Government at the facility; and (2) to transfer such license with the transfer of the facility. The acceptance or exercise by the Government of the aforesaid rights and license shall not prevent the Government at any time from contesting the enforceability, validity, or scope of, or title to, any rights or patents herein licensed.

7. Early Termination of Agreement

The terms and conditions of this Clause shall survive this Agreement, in the event that this Agreement is terminated before completion of the Statement of Work.

RIGHTS IN TECHNICAL DATA – PROTECTED ACT INFORMATION

1. The following definitions shall be used for this Clause.

- A. "Facility Contractor" means [NAME OF CONTRACTOR] as Operator of [NAME OF FACILITY], operating under DOE Prime Contract No. [INSERT] or any successor contractor thereof.
- B. "Contractor-P" means Facility Contractors' private capacity in which they are not acting in their capacity as M&O contractor for their respective Facilities.
- C. "IP Lead" means the designated Party that will have the ability to elect to retain initial title to Subject Inventions developed under this Agreement subject to the terms and conditions described in this Clause.
- D. "ACT Participant" means a non-Federal entity that is a signatory to this Agreement, including Contractor-P.
- E. "Generated Information" means information produced in the performance of this Agreement and Facility subcontracts under this Agreement.
- F. "Proprietary Information" means information which is developed at private expense, is marked as Proprietary Information, and embodies: (1) trade secrets; or (2) commercial or financial information which is privileged or confidential under the Freedom of Information Act (5 USC 552 (b)(4)).
- F. "Unlimited Rights" means the right to use, disclose, reproduce, prepare derivative works, distribute copies to the public, and perform publicly and display publicly, in any manner and for any purpose, and to have or permit others to do so.
- A. "Protected ACT Information" means Generated Information which is marked as Protected ACT Information and which would have been Proprietary Information had it been obtained from a non-Federal entity.

2. For the work to be performed at the DOE/NNSA facility, the Parties agree to furnish to the Facility Contractor or leave at the facility that information, if any, which is: (1) essential to the performance of work by the Facility Contractor personnel; or (2) necessary for the health and safety of such personnel in the performance of the work. Any information furnished to the Facility Contractor shall be deemed to have been delivered with Unlimited Rights unless marked as Proprietary or Protected ACT Information. Any party furnishing information agrees that it has the sole responsibility for appropriately identifying and marking all documents containing Proprietary or Protected ACT Information.

3. The ACT Participants may designate as Protected ACT Information any Generated Information where such data would embody trade secrets or would comprise commercial or financial information that is privileged or confidential if it were obtained from a third party. Before the Facility Contractor releases data associated with this Agreement to anyone other than the Parties to this Agreement, the ACT Participant(s) will be afforded the opportunity to review that data to ascertain whether it is Protected ACT Information and to mark it as such.
4. For a period of ____ [not to exceed 5 years] from the date Protected ACT Information is produced, the Parties and the Government agree not to further disclose such information except: (a) as necessary to perform this Agreement; (b) as requested by the DOE Contracting Officer to be provided to other DOE facilities for use only at those Facilities with the same protections in place; (c) to existing or potential licensees, affiliates, customers, or suppliers of the Parties in support of commercialization of technology with the same protections in place, however, disclosure of Protected ACT Information under this subsection of paragraph 4. shall only be done with the consent of the other Parties; or (d) as mutually agreed by the Parties in advance.

Subject to DOE/NNSA field Patent Counsel approval and the mutual agreement of the Parties, the period of protection for Protected ACT Information may be extended for one extension term that is no more five (5) years in duration and which begins immediately upon expiration of the initial period of protection.

5. The obligations of paragraph 4 above shall end sooner for any Protected ACT Information which shall become publicly known without fault of any Party, shall come into a Party's possession without breach by that Party of the obligations of paragraph 4 above, or shall be independently developed by a Party's employees who did not have access to the Protected ACT Information.
6. The Government and Facility Contractor agree not to disclose properly marked Proprietary Information to anyone other than the ACT Participants without written approval of the disclosing party, except to Government employees who are subject to the statutory provisions against disclosure of confidential information set forth in the Trade Secrets Act (18 USC 1905). The Government and Facility Contractor shall have the right, at reasonable times up to three (3) years after the termination or completion of this Agreement, to inspect any information designated as Proprietary Information, for the purpose of verifying that such information has been properly identified as Proprietary Information.
7. The ACT Participant(s) is solely responsible for the removal of all of its Proprietary Information from the facility by or before termination of this Agreement. The Government and Facility Contractor shall have Unlimited Rights in any information which is not removed from the Facility by termination of this Agreement, except Protected ACT Information. The Government and Facility shall have Unlimited Rights in any Proprietary or Protected ACT Information which is incorporated into the facility or equipment under this Agreement to such extent that the facility or equipment is not restored to the condition existing prior to such incorporation.
8. The Government shall have Unlimited Rights in all Generated Information produced or information provided to the Facility Contractor by the Parties under this Agreement, except for information which is disclosed in a Subject Invention disclosure being considered for patent protection, or which is marked as being Protected ACT Information or Proprietary.
9. Copyrights. The ACT Participants may assert Copyright in any of their Generated Information, and may also require the Facility Contractor, at the Participants' expense, to register copyright and assign copyright to the IP Lead in any Generated Information produced by the Facility Contractor which the ACT Participants wish

to copyright. Subject to the other provisions of this clause, and to the extent copyright is asserted, the Government reserves for itself and others acting in its behalf, a paid-up, world-wide, irrevocable, non-exclusive license for Governmental purposes to publish, distribute, translate, duplicate, exhibit, prepare derivative works, and perform any such copyrighted works.

10. The terms and conditions of this Clause shall survive this Agreement, in the event that this Agreement is terminated before completion of the Statement of Work.