

United States Government

Department of Energy

# memorandum

Albuquerque Operations Office

DATE: March 21, 1997

REPLY TO

ATTN OF: STTD:RED

SUBJECT: Guidance to Contractors, Work for Others Agreement with Non-Federal Sponsors

TO: Warren D. Siemens, Director, Technology Transfer and Commercialization Center, MS 1380, SNL  
Charryl L. Berger, Acting Director, Industrial Partnership Office, MS C331, LANL  
G. W. Johnson, Area Manager, AAO  
David A. Gurule, Area Manager, KCAO

This memorandum provides guidance on implementing the new Non-Federal Sponsors Process (NFSP), under DOE M 481.1-1, Reimbursable Work for Non-Federal Sponsors Process Manual, and Attachment 2 to the Manual titled "Work for Others Agreement with Non-Federal Sponsors."

AL representatives of the Science and Technology Transfer Division (STTD), Office of Chief Counsel, (Acquisition Counsel and Patent Counsel), and Albuquerque Financial Services Center have reviewed each preferred and option article in Attachment 2. The results of this review, incorporated in the following exhibits that are attached, reflect (1) AL program, financial and legal requirements, and (2) the intent of AL to utilize the Attachment 2 preferred and option articles to the greatest extent possible.

1. Exhibit A. This document lists AL preferred and option articles and guidance for their use, and
2. Exhibit B. This document is a sample agreement, incorporating AL's preferred articles.

While we recommend you use the sample agreement in Exhibit B, you may use any of the articles in Exhibit A that you consider more appropriate for your agreements. You may also make minor changes to articles that are not substantive, in individual agreements. Such changes must not change the meaning of the article but merely provide clarification. These changes are to be forwarded to us for our information at

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Addressees

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the time the changes are made. Any substantive change must be submitted to STTD for approval.

You may execute agreements under the NFSP following our receipt and approval of your Management and Administration Plan. Please refer to my December 18, 1996, memorandum on this subject.

Please call David Katz at (505)845-5342, or Bob Davidson at (505)845-4310, if you have any questions or require additional information.



Douglas R. Denham  
Acting Director  
Science and Technology Transfer Division

attachments(2)

cc with attachments:

Andy Millunzi, HQ/DP-15

Diane Bird, HQ/DP-17

Jim Szenasi, OEST

JimChafin, OCC

Herman Smith, AFSC

Larry Romero, BRMD

David Katz, STTD

Dan Sanchez, ETDD

Bob Davidson, STTD

U. S. DEPARTMENT OF ENERGY

ALBUQUERQUE OPERATIONS OFFICE

WORK FOR OTHERS AGREEMENT WITH NON-FEDERAL SPONSORS

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The following is a Work for Others (WFO) Agreement for use with non-federal sponsors, which includes articles that must be used in the agreement. Optional information that may be used in lieu of or in addition to the required articles is identified. These articles have been approved the Albuquerque Operations Office (AL). Requests for exceptions or additions to approved articles or deletions of approved articles must be approved by AL.

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Language:

Work for Others Agreement No. \_\_\_\_\_

Between

(Insert name of the U. S. Department  
of Energy Contractor)

Operating Under Prime Contract No. \_\_\_\_\_ for the

U. S. Department of Energy

And

(Insert name of the non-Federal Sponsor)

Guidance:

The agreement number, the names of the parties, and the M&O contract number must be included in the agreement immediately preceding Article I.

## GENERAL TERMS AND CONDITIONS

### Article I. PARTIES TO THE AGREEMENT

#### Language:

The U. S. Department of Energy Contractor, (insert here the name of the Department of Energy Contractor), hereinafter referred to as the "Contractor," has been requested by (insert here the name of the non-Federal Sponsor), hereinafter referred to as the "Sponsor," to perform the work set forth in the Statement of Work, attached hereto as Appendix A. It is understood by the Parties that the Contractor is obligated to comply with the terms and conditions of its M&O contract with the United States Government (hereinafter called the "Government") represented by the United States Department of Energy (hereinafter called the "Department" or "DOE") when providing services or materials to the Sponsor under this Agreement.

#### Guidance:

The names of the DOE contractor and the non-federal sponsor must be inserted in this article. There must be a Statement of Work for the agreement. It must include a technical description of the work as well as the identity of the principal investigator. Specific funds, property, personnel, and services to be used must be identified in the Statement of Work. Background rights, if any, that are affected may be addressed in the patent rights article, the rights in technical data article, or in a separate article somewhere within the agreement, or in a separate agreement. Any environmental, safety, and health issues must be dealt with, especially if there are to be any materials, equipment, or other tangible property provided by the sponsor for use at the facility in furtherance of the project. Any proprietary information included in the Statement of Work should be clearly marked as such. The sponsor agrees to provide a nonproprietary description of the Statement of Work for public dissemination.

## Article II. TERM OF THE AGREEMENT

### Language:

The Contractor estimated period of performance for completion of the Statement of Work is \_\_\_\_\_ months. The term of this Agreement shall be effective as of the latter date of (1) the date on which it is signed by the last of the Parties thereto, or (2) the date on which the contractor receives advance funding from the sponsor. The term of this Agreement may be extended by mutual, written agreement of the parties when the extension does not affect the cost, statement of work, or terms and conditions, which require a formal amendment to the Agreement.

### Option:

The term of this Agreement shall be effective on the date on which it is signed by the last of the parties thereto.

### General Guidance:

The term of the agreement may be extended by letter when the extension does not affect the cost, statement of work, or terms and conditions, which require a formal amendment to the agreement. The term of the agreement shall be provided.

### Option Guidance:

Option is to be used when the agreement is with a state or local government whose law prohibits the payment of advance.

### Article III. COSTS

#### Language:

The Contractor estimated cost for the work to be performed under this Agreement is \$\_\_\_\_\_. The Contractor has no obligation to continue or complete performance of the work at a cost in excess of its estimated cost, including any subsequent amendment. -The Contractor agrees to provide at least \_\_\_\_\_ days' notice to the Sponsor if the actual cost to complete performance will exceed its estimated cost.

#### Guidance:

The Contractor shall determine the cost of the work to be performed under this agreement in accordance with Department policy for costing work it performs for others as set forth in 10 CFR Part 1009.

There must be a statement of funding for the agreement, showing the estimated cost for the work as determined by the contractor. There must also be a statement that describes the obligations of the contractor relative to exceeding estimated cost.

## Article IV. FUNDING AND PAYMENT

### Language:

The Contractor is required by DOE to receive advance funding before beginning work. The Sponsor shall provide sufficient funds in advance to reimburse the Contractor for costs to be incurred in performance of the work described in this Agreement, and the Contractor shall have no obligation to perform in the absence of adequate advance funds. If the estimated period of performance exceeds 90 days or the estimated cost exceeds \$25,000, the Sponsor may, with the Contractor's approval, advance funds incrementally. In such a case, the Contractor will initially invoice the Sponsor in an amount sufficient to permit the work to proceed for 120 days and thereafter invoice the Sponsor monthly so as to maintain approximately a 90-day period that is funded in advance. Payment shall be made directly to the Contractor in accordance with billing instructions. Upon termination or completion, any excess funds shall be refunded by the Contractor to the Sponsor.

### Guidance:

This provision should be used for most sponsors where the estimated value of the work exceeds \$25,000 or the project will last longer than 90 days. If a small business is unable to meet the 90-day requirement, a shorter time period may be negotiated with the sponsor, as long as the contractor has a plan approved by the Albuquerque Financial Services Center that guarantees via contractor corporate funds no federal funds will be expended to perform the sponsor's work.

The above article must be selected, or an alternate article approved by DOE, if one of the following six situations exist. The six situations are all consistent with current DOE policy on requiring advance payments, as delineated in the Department of Energy Accounting Handbook issued October 17, 1995, as an attachment to DOE Order 534.1.

- 1: If a small business is unable to meet the 90-day requirement, a shorter time period may be negotiated with the sponsor in accordance with the guidance above. [This shorter period should be inserted in the required language. If the contractor negotiates a shorter time than the 90-day requirement, the advance provided must ensure that DOE funds are not used during performance of the work described in the agreement.]
- 2: If the contractor performing the work provides the advance funding from award/management fees, royalties, or other corporate funds, and costs are not charged to a 1419 account. [The contractor performing the work may elect to provide the advance funding from award/management fees, royalties, or other corporate funds or other non-appropriated funds. If this option is chosen, the contractor must provide sufficient funding to ensure DOE funds are not used. The purpose of the 1419 account is to record cost overruns that are guaranteed by the parent entity. It is not a mechanism to handle advance funding.]
- 3: The advance funding requirement may be waived when deliveries are from stock-on-hand and will not require the use of current budget resources except to replace the stock and the cost to ship and package these items is included in the Contractor's cost of inventory via indirect charges or some type of direct charge for shipment. [This option may be used if the proposed agreement does not require expenditure of either DOE or contractor resources.]

- 4: When delivery of items or services is without an advance, if permitted by specific law. This covers reimbursable work deliveries without advance payment as directed by specific laws or executive orders. An example is the detail of employees to states and political subdivisions according to 5 U.S.C. 3373 and the detail of employees to international organizations according to 5 U.S.C. 3343.
- 5: The sponsor establishes an irrevocable trust or escrow account [as the budgetary resource]. The balance in the account must be maintained at a level equivalent to approximately a 90-day advance of funds during the life of this agreement. Accrued costs and commitments of the sponsor shall not exceed the balance in the trust or escrow account plus the payments received from the sponsor. [This provision maybe used where it is not feasible for certain sponsors to provide a cash advance under the provisions of Option 1 above. This should be used only for a small or disadvantaged business not in a position to lose interest on advanced funds for an extended period of time.]
- 6: In specific circumstances when an advance cannot be obtained from state and local governments whose laws prohibit the payment of advances for reimbursable work. In these cases the Cost of Work for Others Program under the Departmental Administration Appropriation is used for providing the Contractor with funding to start work for the sponsor. The sponsor will be responsible for reimbursing the Contractor for work completed in accordance with the billing and collection provisions of the agreements.

Article V. SOURCE OF FUNDS

The Sponsor hereby warrants and represents that, if the funding it brings to this Agreement has been secured through other agreements, such other agreements do not have any terms and conditions (including intellectual property) that conflict with the terms of this Agreement.

**Article VI. PROPERTY**

**Language:**

Unless the Parties otherwise agree in writing, all equipment produced or acquired with funds provided by the Sponsor shall be disposed of as instructed by the Sponsor. Any property which becomes integrated into the facility becomes the property of the Government.

**Option:**

Upon termination of this Agreement, property or equipment having a value greater than \_\_\_\_\_ produced or acquired in conducting the work under this Agreement shall be owned as follows: \_\_\_\_\_

\_\_\_\_\_. No Federal funds will be used to purchase property or equipment for this agreement. Property or equipment produced or acquired as part of this Agreement will be accounted for and maintained during the term of the Agreement in the same manner as Department property or equipment.

**Guidance:**

There must be agreement among the parties as to who will retain any property produced or acquired under the Work for Others Agreement.

## Article VII. PRE-PUBLICATION REVIEW

### Language:

The Parties agree to secure pre-publication approval from each other which shall not be unreasonably withheld or denied beyond \_\_\_\_ days.

### Option 1:

Either Party may publish Generated Information as defined in Paragraph 1.A of Article XV. The publishing party will provide to the other Party for its review, a copy of the proposed publication 60 days prior to its intended publication. The other Party may request a reasonable delay in publication if the proposed publication contains unprotected patentable information or protectable information provided by either Party.

### Option 2:

The publishing Party shall provide the other Party a \_\_\_\_ -day period in which to review and comment on proposed publications that either disclose technical developments and/or research findings generated in the course of this agreement, or identify Proprietary Information (as defined in paragraph 1.B of Article XV). The publishing Party shall not publish or otherwise disclose protectable information identified by the other Party, except as provided by law.

### Option 1 Guidance:

This option may be appropriate when the sponsor is not interested in commercialization of proprietary information.

### General Guidance:

It is within the discretion of the contractor and the sponsor to determine whether a Publication Matters article is necessary. If there will be no Publication Matters article, this section will be titled [Reserved]. If it is determined that there may be or will be publications covering the work under the agreement, then the article above will normally be used.

The pre-publication review process must consider the protection of rights for filing U.S. and foreign patent applications, because any disclosure may restrict filing. Also, should the sponsor want to protect proprietary information brought into the agreement or, where authorized, generated under the agreement as a trade secret, such information should not be disclosed unless agreed to by the sponsor.

## Article VIII. LEGAL NOTICE

### Language:

Any technical paper, article publication, or announcement of advances generated in connection with work done under this Agreement, during the period of performance of the Agreement or in the future, shall give credit to the Sponsor as a sponsor of the work and shall contain the following notice:

### NOTICE

“This document was prepared by [ ] as an account of work performed under a sponsored agreement and pursuant to a Management and Operating Contract with the United States Department of Energy (DOE). Neither the Contractor, nor the DOE, nor any of their employees, makes any warranty, express or implied, or assumes any legal liability or responsibility for the accuracy, completeness, or usefulness of any information, apparatus, product, or process disclosed, or represents that its use would not infringe privately owned rights. Reference herein to any specific commercial product, process, or service by trade name, trademark, manufacturer, or otherwise, does not necessarily constitute or imply its endorsement, recommendation, or favoring by the Contractor or the DOE. The views and opinions of authors expressed herein do not necessarily state or reflect those of the United States Government or any agency thereof.”

### Option:

The Parties agree that the following legal notice shall be affixed to each report furnished to the Sponsor under this Agreement and to any report resulting from this Agreement which may be distributed by the Sponsor: (INSERT NOTICE)

### Guidance:

A standard legal disclaimer notice on publications is needed to protect the interests of the contractor and the government. Insert name of contractor in the first sentence of the preferred article.

### Option Guidance:

Each contractor currently has its own preapproved publications statement which may be used.

Article IX. DISCLAIMER

Language:

THE GOVERNMENT AND THE LABORATORY MAKE NO EXPRESSED, OR IMPLIED WARRANTY AS TO THE CONDITION OF THE RESEARCH OR ANY INTELLECTUAL PROPERTY OR PRODUCT MADE, OR DEVELOPED UNDER THIS AGREEMENT, OR THE OWNERSHIP, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OF THE RESEARCH OR RESULTING PRODUCT. NEITHER THE GOVERNMENT NOR THE LABORATORY WILL BE LIABLE FOR SPECIAL, CONSEQUENTIAL, OR INCIDENTAL DAMAGES.

Option:

THE GOVERNMENT AND THE CONTRACTOR MAKE 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 WORK FOR OTHERS 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. NEITHER THE GOVERNMENT NOR THE CONTRACTOR SHALL 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 WORK FOR OTHERS AGREEMENT.

Guidance:

There must be a disclaimer of express or implied warranties as to the conduct of the research. This statement should be in the form of a Uniform Commercial Code (UCC)-type disclaimer, which should be conspicuous in the Work for Others Agreement so as to meet the standards of due notice. One way to do this is to use bold type, all capital letters, or to have an especially large type font specifying the disclaimer.

## Article X. GENERAL INCLUDING PRODUCT LIABILITY INDEMNITY

### Language:

The Sponsor hereby agrees to hold harmless and indemnify the Contractor and the Government, their officers, agents, and employees from any and all damages including attorney fees and costs whatsoever, including but not limited to, personal injury and property damage sustained as a result of, or arising out of, performance of the work under this Agreement.

### Option 1:

When the Work for Others Agreement involves a state, a state agency, a state college or university, or a political subdivision of a state or an agency thereof, and such entity is limited by law from assuming all such indemnification obligations, the indemnity article may begin with:

To the extent permitted by {name of State} law, the Sponsor ...

### Option 2: Purchase of Product Liability Insurance

The \_\_\_ (Sponsor, Contractor, or Parties) agree to obtain and maintain product liability insurance in the amount of \$ \_\_\_\_\_ during the life of this Agreement and subsequently for the life of any products, processes or services resulting from work under the Agreement. The Government and the Contractor shall be covered against any claims for product liability as a result of this insurance. A copy of this product liability insurance policy shall be provided to both the Government and the Contractor, including any material modifications thereto, including any notices of termination.

The cost for this insurance shall not be charged directly or indirectly to the Government.

### Option 2 Guidance:

If the technology is inherently dangerous and the sponsor is likely unable to cover the potential liability, it may be prudent to include this optional language with the General Including Product Liability Indemnity article.

## Article XI. INTELLECTUAL PROPERTY INDEMNITY - LIMITED

### Language:

The Sponsor shall indemnify the Government and the Contractor and their officers, agents, and employees against liability, including attorney's fees and costs, for infringement of any United States patent, copyright, or other intellectual property arising out of any acts required or directed by the Sponsor to be performed under this Agreement 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 Sponsor unless required by a court of competent jurisdiction.

### Guidance:

In the event that the work performed under the agreement leads to infringement of any patent, copyright, or other intellectual property, the sponsor agrees to indemnify the government with respect to any specific work done under the agreement which is not work normally done at the facility. If state law does not permit the sponsor to agree to the above indemnification, then alternatively this provision may begin with:

"To the extent permitted by {name of State} law, the Sponsor ..."

**Article XII. NOTICE AND ASSISTANCE REGARDING PATENT AND COPYRIGHT INFRINGEMENT**

**Language:**

The Sponsor shall report to the Department and the Contractor, promptly and in reasonable written detail, each claim of patent or copyright infringement based on the performance of this Agreement of which the Sponsor has knowledge. The Sponsor shall furnish to the Department and the Contractor, when requested by the Department or the Contractor, all evidence and information in the possession of the Sponsor pertaining to such claim.

**Guidance:**

The sponsor must inform the Department and the contractor of any claim for infringement arising out of the Work for Others Agreement.

Article XIII. PATENTS AND TECHNICAL DATA RIGHTS

Terms and conditions regarding patents and technical data rights are set forth and attached hereto as Appendix B and Appendix C, respectively.

Article XIV. ASSIGNMENT

Language:

Neither this Agreement nor any interest therein or claim thereunder shall be assigned or transferred by either Party, except as authorized in writing by the other Party to this Agreement, provided, the Contractor may transfer it to the Department, or its designee, with notice of such transfer to the Sponsor, and the Contractor shall have no further responsibilities except for the confidentiality, use, and/or non-disclosure obligations of this Agreement. The obligation of the contractor shall apply to any successor in interest to said contractor continuing the operation of the DOE facility involved in the Agreement.

Guidance:

The agreement must provide for orderly transition from one M&O contractor to another in those instances where there is a change in M&O Contractors for the same facility.

Article XV. SIMILAR OR IDENTICAL SERVICES

Language:

The Government and/or Contractor shall have the right to perform similar or identical services in the Statement of Work (SOW) for other Sponsors as long as neither the Sponsor's Proprietary Information nor Protected Information during the term of its protection is utilized.

Guidance:

The facility cannot be precluded from using its staff and facilities to perform services for others, so long as the sponsor's proprietary information is not utilized.

## ARTICLE XVI. NON-COMPETITION

### Language:

The Sponsor states that, to the best of the Sponsor's knowledge, the Contractor is not in competition with the domestic private sector.

### Guidance:

This article provides a written acknowledgement by the sponsor that the contractor, in performing the services or providing the materials, will not be in competition with the domestic private sector.

Article XVII. EXPORT CONTROL

Language:

Each Party is responsible for its own compliance with laws and regulations governing export control.

## Article XVIII. TERMINATION

### Language:

Performance of work under this Agreement may be terminated at any time by either Party, without liability, except as provided above, upon giving a \_\_\_\_\_ day written notice to the other Party. The Contractor shall terminate this Agreement only when the Contractor determines, after direction from DOE, that such termination is in the best interest of the Government, provided however, that the Contractor shall have the right to terminate if the Sponsor shall have failed to advance the funds required by Article IV within 90 days of the Contractor's execution of this agreement. In the event of termination, the Sponsor shall be responsible for the Contractor's costs (including closeout costs), through the effective date of termination, but in no event shall the Sponsor's cost responsibility exceed the total cost to the Sponsor as described in Article III, above.

It is agreed that any obligations of the Parties regarding Proprietary Information or other intellectual property will remain in effect, despite early termination of the Agreement.

Article XIX. ENTIRE AGREEMENT

Language:

It is expressly understood and agreed that this Agreement and its Appendices contain the entire Agreement between the parties.

Guidance:

This article has been included to prohibit the Contractor and Sponsor from having other understandings outside the agreement, which may subsequently result in a misunderstanding not supported by the bilateral agreement.

In witness whereof, the Parties hereto have executed this Agreement.

FOR Contractor:

FOR Sponsor:

Name \_\_\_\_\_

Name \_\_\_\_\_

Title \_\_\_\_\_

Title \_\_\_\_\_

Date \_\_\_\_\_

Date \_\_\_\_\_

## Appendix B

### PATENT RIGHTS - USE OF FACILITIES (CLASS WAIVER)

Language:

1. **Definitions.**

- A. "Subject Invention" means any invention or discovery of the Contractor, or, to the extent the Sponsor is performing any work under this Agreement, of the Sponsor, conceived in the course of or under this Agreement, or, in the case of an invention previously conceived by the Sponsor, 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. "Patent Counsel" means the DOE 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 Sponsor; election to retain rights subject to the provisions of paragraph 3.B. with respect to any Subject Invention reported and elected in accordance with paragraph 4. of this article, the Sponsor may elect to obtain 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 Sponsor. Where appropriate, the filing of patent applications by the Sponsor is subject to DOE and other Government security regulations and requirements.**

3. **Rights of Contractor and Government**

A. **Assignment to either the Contractor or the Government**

The Sponsor agrees to assign to either the Contractor or the Government, as requested by the Contractor, the entire right, title, and interest in any country to each Subject Invention of the Sponsor and to each Subject Invention of the Contractor, where the Sponsor:

- (1) does not elect pursuant to this article to retain such rights; or
- (2) elects to obtain title to a Subject Invention pursuant to paragraph 2. but 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.
- (3) elects to retain title to a Subject Invention but at anytime, no longer desire to retain title.

B. Terms and Conditions of Waived Rights

- (1) To preserve the Contractor's and the Government's residual rights to Subject Inventions, and in patent applications and patents on Subject Inventions, the Sponsor shall take all actions in reporting, 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 Sponsor decides not to take appropriate steps to protect the invention rights, it shall notify the Contractor in sufficient time to permit either the 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 Sponsor shall convey or ensure the conveyance of any executed instruments necessary to vest in either the Contractor or the Government the rights set forth in this article.
- (3) With respect to any Subject Invention in which the Sponsor obtains title, the Sponsor hereby grants to the Government 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 Sponsor shall provide the Government a copy of any patent applications filed on a Subject Invention within six (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 article, the Sponsor agrees that any products or processes embodying the Subject Invention for use or sale in the United States shall be substantially manufactured in the United States and 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 Sponsor 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) March-In Rights. The Sponsor agrees that with respect to any Subject Invention of the Contractor in which it has acquired title, the DOE shall retain the right to require the Sponsor to grant to a responsible applicant a nonexclusive, partially exclusive, or exclusive license to use the Subject Invention in any field of use, on terms that are reasonable under the

circumstances, or if the Sponsor fails to grant such a license, to grant the license itself. DOE may exercise this right only in exceptional circumstances and only if DOE determines that:

- (a) the action is necessary to meet health or safety needs that are not reasonably satisfied by the Sponsor; or
  - (b) the action is necessary to meet the requirements for public use specified by Federal regulations and such requirements are not reasonably satisfied by the Sponsor; or
  - (c) such action is necessary because a licensee of the exclusive right to use or sell any Subject Invention in the United States is in breach of the agreement required by paragraph 3.B.(5).
- (7) The Sponsor 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.
- (8) The Sponsor agrees to include, within the specification of any United States patent applications and any patent issuing thereon covering a Subject Invention, the following statement. "The Government has rights in this invention pursuant to (specify this underlying Agreement)."

#### 4. Invention Identification, Disclosures, and Reports

- A. The Sponsor shall furnish the Patent Counsel a written report containing full and complete technical information concerning each Subject Invention it makes within six (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 Sponsor. The report shall identify the contract 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 report should also include any election of invention rights under this article. 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 Contractor shall report Subject Inventions it makes in accordance with the procedures set forth in its Management and Operating Contract with the DOE. In addition, the Contractor shall disclose to the Sponsor at the same time as disclosure to the Department any Subject Inventions made by the Contractor under this Agreement and the Sponsor shall notify the Department within 6 months of

receipt of such disclosure by the Sponsor of any election of patent rights under this article.

- 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 patent rights article 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 inventions or discoveries conceived or first actually reduced to practice in the course of or under this Agreement, the Sponsor agrees to and does 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 or acquired by the Sponsor, which at any time, through completion of this Agreement, are owned or controlled by the Sponsor and 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 the 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 article shall survive the Agreement, in the event that the Agreement is terminated before completion of the Statement of Work.

## Appendix B

### PATENT RIGHTS - USE OF FACILITIES

1. **Definitions.**
  - A. "Invention" means any invention or discovery which is or may be patentable or otherwise protectable under Title 35 of the United States Code or any novel variety of plant that is or may be protectable under the Plant Variety Protection Act (7 U.S.C. 2321 et seq.).
  - B. "Sponsor Invention" means any invention, to the extent the Sponsor is performing any work under this Agreement, of the Sponsor, conceived or first actually reduced to practice in the course of under this Agreement.
  - C. "Patent Counsel" means the DOE 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. **Contractor Inventions.** The Government and the Contractor shall have rights in any Invention conceived in the performance of work under this Agreement by employees of Contractor in accordance with the provisions of Department of Energy's (DOE) operating contract with Contractor subject to Sponsor obtaining, upon notice to the DOE Patent Counsel, a nonexclusive, nontransferable, irrevocable, paid-up license to practice said Invention throughout the world. Sponsor further has the first option to negotiate with the Contractor for an exclusive license in a prenegotiated field of use on reasonable terms and conditions.
3. **Sponsor's Election to Retain Rights.** Subject to the provisions of paragraph 4.B. of this clause with respect to any Sponsor Invention reported and elected in accordance with paragraph 5. of this clause, the Sponsor may elect to obtain the entire right, title, and interest in any patent application filed in any country on a Sponsor Invention and in any resulting patent secured by the Sponsor. Where appropriate, the filing of patent applications by the Sponsor is subject to DOE security regulations and requirements.
4. **Rights of Contractor and Government**
  - A. **Assignment to either the Contractor or the Government**

The Sponsor agrees to assign to either the Contractor or the Government, as requested by the Contractor, the entire right, title, and interest in any country to each Sponsor Invention where the Sponsor:

    - (1) does not elect pursuant to this article to retain such rights; or
    - (2) elects to obtain title to a Sponsor Invention pursuant to paragraph 3. but fails to have a patent application filed in that country on the Sponsor

Invention or decides not to continue prosecution or not to pay any maintenance fees covering the invention.

- (3) elects to retain title to a Subject Invention but at any time, no longer desires to retain title.

**B. Terms and Conditions of Waived Rights**

- (1) To preserve the Contractor's and the Government's residual rights to Sponsor Inventions, and in patent applications and patents on Sponsor Inventions, the Sponsor shall take all actions in reporting, 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 Sponsor decides not to take appropriate steps to protect the invention rights, it shall notify the Contractor in sufficient time to permit either the 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 Sponsor shall convey or ensure the conveyance of any executed instruments necessary to vest in either the Contractor or the Government the rights set forth in this article.
- (3) With respect to any Sponsor Invention in which the Sponsor obtains title, the Sponsor hereby grants to the Government a non-exclusive, nontransferable, irrevocable, paid-up license to practice or have practiced by or on behalf of the United States the Sponsor Invention throughout the world.
- (4) The Sponsor shall provide the Government a copy of any patent applications filed on a Sponsor Invention within six (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 article, the Sponsor agrees that any products or processes embodying the Subject Invention for use or sale in the United States shall be substantially manufactured in the United States and that neither it nor any assignee will grant to any person the exclusive right to use or sell any Sponsor Invention in the United States unless such person agrees that any products embodying the Sponsor Invention or produced through the use of the Sponsor 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 Sponsor 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) **March-In Rights.** The Sponsor agrees that with respect to any Sponsor Invention the DOE shall retain the right to require the Sponsor to grant to a responsible applicant, a nonexclusive, partially exclusive, or exclusive license to use the Sponsor Invention in any field of use, on terms that are reasonable under the circumstances, or if the Sponsor fails to grant such a license, to grant the license itself. DOE may exercise this right only in exceptional circumstances and only if DOE determines that:
- (a) the action is necessary to meet health or safety needs that are not reasonably satisfied by the Sponsor; or
  - (b) the action is necessary to meet the requirements for public use specified by Federal regulations and such requirements are not reasonably satisfied by the Sponsor; or
  - (c) such action is necessary because a licensee of the exclusive right to use or sell any Sponsor Invention in the United States is in breach of the agreement required by paragraph 4.B.(5).
- (7) The Sponsor agrees to refund any amounts received as royalty charges on any Sponsor 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.
- (8) The Sponsor agrees to include, within the specification of any United States patent applications and any patent issuing thereon covering a Sponsor Invention, the following statement. "The Government has rights in this invention pursuant to (specify this underlying Agreement)."

5. **Invention Identification, Disclosures, and Reports**

- A. The Sponsor shall furnish the Patent Counsel a written report containing full and complete technical information concerning each Sponsor Invention it makes within six (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 Sponsor. The report shall identify the contract 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 report should also include any election of invention rights under this article. When an invention is reported under this paragraph 5.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 Contractor shall report Contractor Inventions it makes in accordance with the procedures set forth in its Management and Operating Contract with the DOE. In addition, the Contractor shall disclose to the Sponsor at the same time as disclosure to the Department any Contractor Inventions made by the Contractor under this Agreement.

6. Limitation of Rights

Nothing contained in this patent rights article shall be deemed to give the Government any rights with respect to any invention other than a Contractor or Sponsor Invention except as set forth in the Facilities License of paragraph 7.

7. Facilities License

In addition to the rights of the Parties with respect to inventions or discoveries conceived or first actually reduced to practice in the course of or under this Agreement, the Sponsor agrees to and does 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 or acquired by the Sponsor, which at any time, through completion of this Agreement, are owned or controlled by the Sponsor and 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 the 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.

8. Early Termination of Agreement

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

General Guidance:

1. When the work does not include any research, development, demonstration or testing, Article XIV may be omitted and marked "Reserved".
2. Use of "Class Waiver" Article requires a written certification by the Contractor that:
  - (1) The work to be performed under the Agreement is not covered by another contract or arrangement falling under DOE's statutory patent policy (does not contain a regulation Patent Rights clause), 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) The Sponsor is providing appropriate cost reimbursement, pursuant to DOE requirements, for the services performed and/or facilities used as set forth in this Class Waiver; and

- (3) The terms and conditions for the agreement with the Sponsor comply with this Class Waiver and DOE instructions for its implementation.

This "Class Waiver" Article cannot be used when the Sponsor is foreign owned or controlled without prior approval of the DOE Patent Counsel.

3. Use of the option article may be used in the following circumstances:

- (1) When the Sponsor is expressly not interested in obtaining title to Contractor inventions made under the Agreement.
- (2) When any invention that might be made would be a research tool, (e.g., a transgenic animal or a DNA sequence), and there is a Departmental and public interest in having the tool available to many potential research and commercial organizations. Contractor should consult with the cognizant DOE program official and notify the AL WFO administrative office.
- (3) When the Sponsor's interest is in one or more narrow fields of use, and utilization of the facility or commercialization of the underlying technology can be maximized by limiting the Sponsor's exclusivity in any inventions to a particular field of use. In this case the Contractor may provide the Sponsor with a paid-up exclusive license in the negotiated field of use, assign title to invention(s) to the Sponsor (reserving the Government license, march-in rights and U.S. preference -- see the Class Waiver clause) or consult with Patent Counsel to modify the Class Waiver Clause to allow Sponsor to elect title to inventions which relate only to Sponsor's field-of-use.
- (4) Where the technology base resides heavily in the Contractor and the Contractor believes that allowing the Sponsor to take title to Contractor inventions would fractionate Contractor's intellectual property portfolio (or position) and/or the Contractor believes that the transfer of technology to the U.S. domestic economy would more greatly benefit by the Contractor controlling ownership of inventions made under the Agreement. Any other fact patterns or equity considerations leading the Contractor to believe that it would not be in the best interest of the United States or the general public to grant the waiver to the Sponsor is subject to approval of the DOE Patent Counsel.

Any case where the Sponsor is not given the Class Waiver Article should be fully documented and notice given to the AL WFO administrative office.

The selected article, either the preferred or option, should be identified as Appendix B, Patent Rights - Use of Facilities.

## Appendix C

### RIGHTS IN TECHNICAL DATA - USE OF FACILITIES

1. The following definitions shall be used.
  - A. "Generated Information" means information produced in the performance of this Agreement.
  - B. "Proprietary Information" means information which is developed at private expense outside of work under this Agreement, 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)).
  - C. "Protected Generated Information" means Generated Information that would be a trade secret or commercial or financial information that is privileged or confidential if the information had been obtained from a non-Federal party.
  - D. "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. The Sponsor agrees to furnish to the Contractor or leave at the facility that information, if any, which is (1) essential to the performance of work by the Contractor personnel or (2) necessary for the health and safety of such personnel in the performance of the work. Any information furnished to the Contractor shall be deemed to have been delivered with Unlimited Rights unless marked as Proprietary Information. The Sponsor agrees that it has the sole responsibility for appropriately identifying and marking all documents containing Proprietary Information, whether such documents are furnished by the Sponsor or produced under this Agreement and have such Proprietary Information incorporated therein. Upon completion of activities under this Agreement, Proprietary Information will be disposed of as requested by the Sponsor. Before the Contractor releases data associated with this Agreement to anyone, the Sponsor will be afforded the opportunity to review that data to ascertain whether it contains Proprietary Information and to mark it as such.
3. The Government and Contractor agree not to disclose properly marked Proprietary Information to anyone other than the Sponsor without written approval of the Sponsor, 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).
4. The Sponsor is solely responsible for designating the disposition of all of its Proprietary Information at the facility by or before termination of this Agreement. The Government and 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.

5. The Sponsor agrees that the Contractor will provide to the Department a nonproprietary description of the work performed under this Agreement.
6. The Sponsor may designate as Protected Generated Information any Generated Information meeting the definition of paragraph 1.C. above. Such Protected Generated Information will, to the extent permitted by law, be maintained in confidence and disclosed or used by the Contractor (under suitable protective conditions) only for the purpose of carrying out the Contractor's responsibilities under this Agreement. The Sponsor is solely responsible for designating the disposition of all Protected Generated Information by or before termination of this Agreement. The Government and the Contractor shall have Unlimited Rights in any Protected Generated Information which is not removed or designated for removal from the facility by termination of this Agreement.
7. Copyrights. Each Party may assert copyright in any of its Generated Information. The Sponsor reserves at least a royalty-free non-exclusive license in copyrighted Contractor Generated Information. Subject to the other provisions of this article, and to the extent that copyright is asserted, the Government reserves for itself a royalty-free, world-wide, irrevocable, non-exclusive license for Governmental purposes to publish, distribute, translate, duplicate, exhibit, prepare derivative works, and perform any such data.
8. The Government shall have Unlimited Rights in all Generated Information produced or information provided by the Parties under this Agreement, except for information which is disclosed in an invention disclosure being considered for patent protection, or which is marked as being Proprietary Information, Protected Generated Information, or information marked as copyrighted.
9. The terms and conditions of this article shall survive the Agreement, in the event that the Agreement is terminated before completion of the Statement of Work.

#### Option Paragraph 6

6. The Sponsor may designate as Protected Generated Information any Generated Information meeting the definition of paragraph 1.C. above. Such Protected Generated Information will, to the extent permitted by law, be maintained in confidence and disclosed or used by the Contractor (under suitable protective conditions) only for the purpose of carrying out the Contractor's responsibilities under this Agreement and its work under its Management and Operating Contract with the DOE for a period of \_\_\_ years from the date such data is generated, after which the Government and the Contractor will have Unlimited Rights in such data.

## Appendix C

### RIGHTS IN TECHNICAL DATA - USE OF FACILITIES (SHORT FORM)

The Sponsor, the Contractor and the Government shall have the right to use, disclose and duplicate for any purpose whatsoever, and have others do so, all technical data first produced or used in the performance of work under this Agreement. (Technical data is defined as set forth in 48 CFR 27.401.)

Any Sponsor furnished, properly marked, proprietary data necessary for, or pertaining to, work under this Agreement will not be disclosed outside the Government or Contractor, and will be returned to the Sponsor by or before termination of this Agreement.

#### Specific Guidance:

1. When the Sponsor is providing full cost recovery and has a proprietary position in the technology and wherein the Laboratory is providing unique testing or demonstration services, the Preferred Article without the option should be used. In this case the Laboratory would have little interest in or use for the data relating to the Sponsor's proprietary technology and the Sponsor would have an interest in and an expectation that the data would not be used or released. This clause should not be used when the Sponsor is foreign owned or controlled or when the data is to be primarily used abroad without DOE authorization.
2. When the Government/Laboratory is performing research and development for the Sponsor in an area of interest to the Government, such as when the interest would be sufficient to warrant waiver of added factor and depreciation costs, the Preferred Article should be altered by substituting Option Paragraph 6. for Preferred Paragraph 6. and inserting a period of time for protecting commercially valuable generated data. To be consistent with other related programs, a maximum of five (5) years should provide the Sponsor with a reasonable proprietary head-start.
3. If there is no interest in protecting the generated data or there is a specific reason for releasing the information, the two-paragraph Option Article XV may be used instead of the Preferred Article XV.

The Preferred Article permitting generated data to be treated as proprietary and the Option Article providing unlimited rights in all generated data represent both extremes in data treatment. If some other mix of these extreme clauses is desired and cannot be handled by the use of Option Paragraph 6., DOE Patent Counsel should be consulted to assist in developing an article to meet the needs of the parties while protecting the Government's interest.

#### General Guidance:

The obligations of the parties with respect to proprietary information require that all such materials be sufficiently identified and marked, so that the personnel involved in the project understand what materials are to be protected. If information could not be protected as a valid trade secret or commercial or financial information if brought into the agreement by the sponsor,

then it should not be protected under the agreement. If the parties will be using software, biological materials, specimen materials, equipment, or other tangible personal property that a party wants to protect as proprietary, then such items should be included in the definition of proprietary information to ensure such protection. Additional information can be found at 48 CFR 927.400. The parties may wish to return proprietary information before the conclusion of the agreement if such information is no longer needed for work under the agreement.

As it appears in the agreement, the preferred data article allows the sponsor to secure all rights in generated information designated by the sponsor as protected generated information. The government would get minimum rights therein. With respect to such designated protected generated information, the sponsor receives the maximum data rights available to the sponsor.

However, there are circumstances that justify or require greater data rights in the contractor/the Department, than Sponsor ownership of all rights. Indications of situations in which such greater rights may be justified are:

1. the sponsor is not providing proprietary information or material to the facility;
2. the sponsor is 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 sponsor cannot show that the primary use of the data will be in the U.S. rather than in a foreign country;
4. the WFO Statement of Work is directly related to specific ongoing projects (this is an instance where 5-year protection might be appropriate);
5. the WFO Statement of Work requires only a paper study and is not directed to a particular commercial product of the sponsor (this is an instance where unlimited rights in the government might be appropriate);
6. per the Class Patent Waiver, title to all inventions is not going to the Sponsor; or,
7. any benefit to the U.S. Government would be lost by the removal of the data from the facility.

Before the agreement is entered into, the contractor or the Department may require that greater data rights be obtained. The data rights acquired by the government/contractor depend on the circumstances, and can range from unlimited rights to some lesser level of protection, such as a period of protection (e.g., 5 years), or having only part of the data being proprietary to the sponsor. The Department or the contractor can also obtain greater rights in copyright, especially where the agreement covers work that is derivative of prior work at the DOE facility. In unusual circumstances the parties can agree that the sponsor will leave proprietary information at the facility.

Use of articles other than the preferred and option articles requires approval of the DOE Patent Counsel.

Work for Others Agreement No. \_\_\_\_\_

Between

(Insert name of the U. S. Department of Energy Contractor)

Operating Under Prime Contract No. \_\_\_\_\_ for the

U.S. Department of Energy

And

(Insert name of the non-federal Sponsor)

**GENERAL TERMS AND CONDITIONS**

**ARTICLE I. PARTIES TO THE AGREEMENT.** The U. S. Department of Energy Contractor, *(insert name of Contractor)*, hereinafter referred to as the "Contractor," has been requested by *(insert name of non-Federal Sponsor)*, hereinafter referred to as the "Sponsor," to perform the work set forth in the Statement of Work, attached hereto as Appendix A. It is understood by the Parties that the Contractor is obligated to comply with the terms and conditions of its Management and Operating Contract with the United States Government (hereinafter called the "Government") represented by the United States Department of Energy (hereinafter called the "Department" or "DOE") when providing services or materials to the Sponsor under this Agreement.

**ARTICLE II. TERM OF THE AGREEMENT.** The Contractor estimated period of performance for completion of the Statement of Work is \_\_\_\_\_ months. The term of this Agreement shall be effective as of the latter date of (1) the date of which it is signed by the last of the Parties thereto, or (2) the date on which the Contractor receives advance funding from the Sponsor. The term of this Agreement may be extended by mutual, written agreement of the parties when the extension does not affect the cost, statement of work, or terms and conditions, which require a formal amendment to the Agreement.

**ARTICLE III. COSTS.** The Contractor estimated cost for the work to be performed under this Agreement is \$ \_\_\_\_\_. The Contractor has no obligation to continue or complete performance of the work at a cost in excess of its estimated cost, including any subsequent amendment. The Contractor agrees to provide at least \_\_\_\_\_ days' notice to the Sponsor if the actual cost to complete performance will exceed its estimated cost.

**ARTICLE IV. FUNDING AND PAYMENT.** The Contractor is required by DOE to receive advance funding before beginning work. The Sponsor shall provide sufficient funds in advance to reimburse the Contractor for costs to be incurred in performance of the work described in this Agreement, and the Contractor shall have no obligation to perform in the absence of adequate advance funds. If the estimated period of performance exceeds 90 days or the estimated cost exceeds \$25,000, the Sponsor may, with the Contractor's approval, advance funds incrementally. In such a case, the Contractor will initially invoice the Sponsor in an amount sufficient to permit the work to proceed for 120 days and thereafter invoice the Sponsor monthly so as to maintain approximately a 90-day period that is funded in advance. Payment shall be made directly to the Contractor in accordance with billing instructions. Upon termination or completion, any excess funds shall be refunded by the Contractor to the Sponsor.

**ARTICLE V. SOURCE OF FUNDS.** The Sponsor hereby warrants and represents that, if the funding it brings to this Agreement has been secured through other agreements, such other agreements do not have any terms and conditions (including intellectual property) that conflict with the terms of this Agreement.

**ARTICLE VI. PROPERTY.** Unless the Parties otherwise agree in writing, all equipment produced or acquired with funds provided by the Sponsor shall be disposed of as instructed by the Sponsor.

**ARTICLE VII. PRE-PUBLICATION REVIEW.** The Parties agree to secure pre-publication approval from each other which shall not be unreasonably withheld or denied beyond \_\_\_\_\_ days.

**ARTICLE VIII. LEGAL NOTICE.** Any technical paper, article publication, or announcement of advances generated in connection with work done under this Agreement, during the period of performance of the Agreement or in the future, shall give credit to the Sponsor as a sponsor of the work and shall contain the following notice:

"This document was prepared by [ \_\_\_\_\_ ] as an account of work performed under a sponsored agreement and \_\_\_\_\_ Management and Operating Contract with the United States Department of Energy (DOE).

Neither the Contractor, nor the DOE, nor any of their employees, makes any warranty, express or implied, or assumes any legal liability or responsibility for the accuracy, completeness, or usefulness of any information, apparatus, product, or process disclosed, or represents that its use would not infringe privately owned rights. Reference herein to any specific commercial product, process, or service by trade name, trademark, manufacturer, or otherwise, does not necessarily constitute or imply its endorsement, recommendation, or favoring by the Contractor or the DOE. The views and opinions of authors expressed herein do not necessarily state or reflect those of the United States Government or any agency thereof."

**ARTICLE IX. DISCLAIMER.** THE GOVERNMENT AND THE LABORATORY MAKE NO EXPRESSED OR IMPLIED WARRANTY AS TO THE CONDITION OF THE RESEARCH OR ANY INTELLECTUAL PROPERTY OR PRODUCT MADE, OR DEVELOPED UNDER THIS AGREEMENT, OR THE OWNERSHIP, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OF THE RESEARCH OR RESULTING PRODUCT. NEITHER THE GOVERNMENT NOR THE LABORATORY WILL BE LIABLE FOR SPECIAL, CONSEQUENTIAL, OR INCIDENTAL DAMAGES.

**ARTICLE X. GENERAL INCLUDING PRODUCT LIABILITY INDEMNITY.** The Sponsor hereby agrees to hold harmless and indemnify the Contractor and the Government, their officers, agents, and employees from any and all damages including attorney fees and costs whatsoever, including but not limited to, personal injury and property damage sustained as a result of, or arising out of, performance of the work under this Agreement.

**ARTICLE XI. INTELLECTUAL PROPERTY INDEMNITY - LIMITED.** The Sponsor shall indemnify the Government and the Contractor and their officers, agents, and employees against liability, including attorney's fees and costs, for infringement of any United States patent, copyright, or other intellectual property arising out of any acts required or directed by the Sponsor to be performed under this Agreement 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 Sponsor unless required by a court of competent jurisdiction.

**ARTICLE XII. NOTICE AND ASSISTANCE REGARDING PATENT AND COPYRIGHT INFRINGEMENT.** The Sponsor shall report to the Department and the Contractor, promptly and in reasonable written detail, each claim of patent or copyright infringement based on the performance of this Agreement of which the Sponsor has knowledge. The Sponsor shall furnish to the Department and the Contractor, when requested by the Department or the Contractor, all evidence and information in the possession of the Sponsor pertaining to such claim.

**ARTICLE XIII. PATENTS AND TECHNICAL DATA RIGHTS.** Terms and conditions regarding patents and technical data rights are set forth in and attached here as Appendix B and Appendix C, respectively.

**ARTICLE XIV. ASSIGNMENT.** Neither this Agreement nor any interest therein or claim thereunder shall be assigned or transferred by either Party, except as authorized in writing by the other Party to this Agreement, provided, the Contractor may transfer it to the Department, or its designee, with notice of such transfer to the Sponsor, and the Contractor shall have no further responsibilities except for the confidentiality, use, and/or non-disclosure obligations of this Agreement. The obligation of the Contractor shall apply to any successor in interests to said contractor continuing the operation of the DOE facility involved in this Agreement.

**Article XV. SIMILAR OR IDENTICAL SERVICES.** The Government and/or Contractor shall have the right to perform similar or identical services in the Statement of Work (SOW) for other Sponsors as long as neither the Sponsor's Proprietary Information nor Protected Information during the term of its protection is utilized.

**ARTICLE XVI. NON-COMPETITION.** The Sponsor states that, to the best of the Sponsor's knowledge, the Contractor is not in competition with the domestic sector.

**ARTICLE XVII. EXPORT CONTROL.** Each Party is responsible for its own compliance with laws and regulations governing export control.

**ARTICLE XVIII. TERMINATION.** Performance of work under this Agreement may be terminated at any time by either Party, without liability, except as provided above, upon giving a \_\_\_\_\_ day written notice to the other Party. The Contractor shall terminate this Agreement only when the Contractor determines, after direction from DOE, that such termination is in the best interest of the Government, provided however, that the Contractor shall have the right to terminate if the Sponsor shall have failed to advance the funds required by ARTICLE IV within 90 days of the Contractor's execution of this Agreement. In the event of termination, the Sponsor shall be responsible for the Contractor's costs (including closeout costs), through the effective date of termination, but in no event shall the Sponsor's cost responsibility exceed the total cost to

the Sponsor as described in ARTICLE III. It is agreed that any obligations of the Parties regarding Proprietary Information or other intellectual property will remain in effect, despite early termination of the Agreement.

**ARTICLE XIX. ENTIRE AGREEMENT.** It is expressly understood and agreed that this Agreement and its Appendices contain the entire Agreement between the parties.

In witness whereof, the Parties hereto have executed this Agreement.

For CONTRACTOR:

For SPONSOR:

Name \_\_\_\_\_

Name \_\_\_\_\_

Title \_\_\_\_\_

Title \_\_\_\_\_

Date \_\_\_\_\_

Date \_\_\_\_\_

## APPENDIX B

### PATENT RIGHTS - USE OF FACILITIES (CLASS WAIVER)

#### 1. Definitions.

A. **"Subject Invention"** means any invention or discovery of the Contractor, or, to the extent the Sponsor is performing any work under this Agreement, of the Sponsor, conceived in the course of or under this Agreement, or, in the case of an invention previously conceived by the Sponsor, 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. **"Patent Counsel"** means the DOE 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 Sponsor;** election to retain rights subject to the provisions of paragraph 3.B. with respect to any Subject Invention reported and elected in accordance with paragraph 4. of this article, the Sponsor may elect to obtain 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 Sponsor. Where appropriate, the filing of patent applications by the Sponsor is subject to DOE and other Government security regulations and requirements.

#### 3. Rights of Contractor and Government

A. Assignment to either the Contractor or the Government. The Sponsor agrees to assign to either the Contractor or the Government, as requested by the Contractor, the entire right, title, and interest in any country to each Subject Invention of the Sponsor and to each Subject Invention of the Contractor, where the Sponsor:

(1) does not elect pursuant to this article to retain such rights; or

(2) elects to obtain title to a Subject Invention pursuant to paragraph 2. but 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.

(3) elects to retain title to a Subject Invention but at any time, no longer desires to retain title.

#### B. Terms and Conditions of Waived Rights.

(1) To preserve the Contractor's and the Government's residual rights to Subject Inventions, and in patent applications and patents on Subject Inventions, the Sponsor shall take all actions in reporting, 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 Sponsor decides not to take appropriate steps to protect the invention rights, it shall notify the Contractor in sufficient time to permit either the 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 Sponsor shall convey or ensure the conveyance of any executed instruments necessary to vest in either the Contractor or the Government the rights set forth in this article.

(3) With respect to any Subject Invention in which the Sponsor obtains title, the Sponsor hereby grants to the Government 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 Sponsor shall provide the Government a copy of any patent applications filed on a Subject Invention within six (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 article, the Sponsor agrees that any products or processes embodying the Subject Invention for use or sale in the United States shall be substantially manufactured in the United States and 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 Sponsor 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) **March-In Rights.** The Sponsor agrees that with respect to any Subject Invention of the Contractor in which it has acquired title, the DOE shall retain the right to require the Sponsor to grant to a responsible applicant a nonexclusive, partially exclusive, or exclusive license to use the Subject Invention in any field of use, on terms that are reasonable under the circumstances, or if the Sponsor fails to grant such a license, to grant the license itself. DOE may exercise this right only in exceptional circumstances and only if DOE determines that:

- (a) the action is necessary to meet health or safety needs that are not reasonably satisfied by the Sponsor; or
- (b) the action is necessary to meet the requirements for public use specified by Federal regulations and such requirements are not reasonably satisfied by the Sponsor; or
- (c) such action is necessary because a licensee of the exclusive right to use or sell any Subject Invention in the United States is in breach of the agreement required by paragraph 3.B.(5).

(7) The Sponsor 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.

(8) The Sponsor agrees to include, within the specification of any United States patent applications and any patent issuing thereon covering a Subject Invention, the following statement. "The Government has rights in this invention pursuant to (specify this underlying Agreement)."

#### **4. Invention Identification, Disclosures, and Reports**

A. The Sponsor shall furnish the Patent Counsel a written report containing full and complete technical information concerning each Subject Invention it makes within six (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 Sponsor. The report shall identify the contract 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 report should also include any election of invention rights under this article. 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 Contractor shall report Subject Inventions it makes in accordance with the procedures set forth in its Management and Operating Contract with the DOE. In addition, the Contractor shall disclose to the Sponsor at the same time as disclosure to the Department any Subject Inventions made by the Contractor under this Agreement and the Sponsor shall notify the Department within 6 months of receipt of such disclosure by the Sponsor of any election of patent rights under this article.

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 patent rights article 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 inventions or discoveries conceived or first actually reduced to practice in the course of or under this Agreement, the Sponsor agrees to and does 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 or acquired by the Sponsor, which at any time, through completion of this Agreement, are owned or controlled by the Sponsor and 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 the 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 article shall survive the Agreement, in the event that the Agreement is terminated before completion of the Statement of Work.

## APPENDIX B

### PATENT RIGHTS - USE OF FACILITIES

#### 1. Definitions.

A. **"Invention"** means any invention or discovery which is or may be patentable or otherwise protectable under Title 35 of the United States Code or any novel variety of plant that is or may be protectable under the Plant Variety Protection Act (7 U.S.C. 2321 et seq.).

B. **"Sponsor Invention"** means any invention, to the extent the Sponsor is performing any work under this Agreement, of the Sponsor, conceived or first actually reduced to practice in the course of under this Agreement.

C. **"Patent Counsel"** means the DOE 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. **Contractor Inventions.** The Government and the Contractor shall have rights in any Invention conceived in the performance of work under this Agreement by employees of Contractor in accordance with the provisions of Department of Energy's (DOE) operating contract with Contractor subject to Sponsor obtaining, upon notice to the DOE Patent Counsel, a nonexclusive, nontransferable, irrevocable, paid-up license to practice said Invention throughout the world. Sponsor further has the first option to negotiate with the Contractor for an exclusive license in a prenegotiated field of use on reasonable terms and conditions.

3. **Sponsor's Election to Retain Rights.** Subject to the provisions of paragraph 4.B. of this clause with respect to any Sponsor Invention reported and elected in accordance with paragraph 5. of this clause, the Sponsor may elect to obtain the entire right, title, and interest in any patent application filed in any country on a Sponsor Invention and in any resulting patent secured by the Sponsor. Where appropriate, the filing of patent applications by the Sponsor is subject to DOE security regulations and requirements.

#### 4. Rights of Contractor and Government

A. **Assignment to either the Contractor or the Government.** The Sponsor agrees to assign to either the Contractor or Government, as requested by the Contractor, the entire right, title, and interest in any country to each Sponsor Invention where the Sponsor:

(1) does not elect pursuant to this article to retain such rights; or

(2) elects to obtain title to a Sponsor Invention pursuant to paragraph 3. but fails to have a patent application filed in that country on the Sponsor Invention or decides not to continue prosecution or not to pay any maintenance fees covering the invention.

(3) elects to retain title to a Subject Invention but at any time, no longer desires to retain title.

#### B. Terms and Conditions of Waived Rights

(1) To preserve the Contractor's and the Government's residual rights to Sponsor Inventions, and in patent applications and patents on Sponsor Inventions, the Sponsor shall take all actions in reporting, 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 Sponsor decides not to take appropriate steps to protect the invention rights, it shall notify the Contractor in sufficient time to permit either the 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 Sponsor shall convey or ensure the conveyance of any executed instruments necessary to vest in either the Contractor or the Government the rights set forth in this article.

(3) With respect to any Sponsor Invention in which the Sponsor obtains title, the Sponsor hereby grants to the Government a non-exclusive, nontransferable, irrevocable, paid-up license to practice or have practiced by or on behalf of the United States the Sponsor Invention throughout the world.

(4) The Sponsor shall provide the Government a copy of any patent applications filed on a Sponsor Invention within six (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 article, the Sponsor agrees that any products or processes embodying the Subject Invention for use or sale in the United States shall be substantially manufactured in the United States and that neither it nor any assignee will grant to any person the exclusive right to

use or sell any Sponsor Invention in the United States unless such person agrees that any products embodying the Sponsor Invention or produced through the use of the Sponsor 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 Sponsor 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) **March-In Rights.** The Sponsor agrees that with respect to any Sponsor Invention the DOE shall retain the right to require the Sponsor to grant to a responsible applicant, a nonexclusive, partially exclusive, or exclusive license to use the Sponsor Invention in any field of use, on terms that are reasonable under the circumstances, or if the Sponsor fails to grant such a license, to grant the license itself. DOE may exercise this right only in exceptional circumstances and only if DOE determines that:

- (a) the action is necessary to meet health or safety needs that are not reasonably satisfied by the Sponsor; or
- (b) the action is necessary to meet the requirements for public use specified by Federal regulations and such requirements are not reasonably satisfied by the Sponsor; or
- (c) such action is necessary because a licensee of the exclusive right to use or sell any Sponsor Invention in the United States is in breach of the agreement required by paragraph 4.B.(5).

(7) The Sponsor agrees to refund any amounts received as royalty charges on any Sponsor 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.

(8) The Sponsor agrees to include, within the specification of any United States patent applications and any patent issuing thereon covering a Sponsor Invention, the following statement. "The Government has rights in this invention pursuant to (specify this underlying Agreement)."

#### **5. Invention Identification, Disclosures, and Reports**

A. The Sponsor shall furnish the Patent Counsel a written report containing full and complete technical information concerning each Sponsor Invention it makes within six (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 Sponsor. The report shall identify the contract 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 report should also include any election of invention rights under this article. When an invention is reported under this paragraph 5.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 Contractor shall report Contractor Inventions it makes in accordance with the procedures set forth in its Management and Operating Contract with the DOE. In addition, the Contractor shall disclose to the Sponsor at the same time as disclosure to the Department any Contractor Inventions made by the Contractor under this Agreement.

#### **6. Limitation of Rights**

Nothing contained in this patent rights article shall be deemed to give the Government any rights with respect to any invention other than a Contractor or Sponsor Invention except as set forth in the Facilities License of paragraph 7.

#### **7. Facilities License**

In addition to the rights of the Parties with respect to inventions or discoveries conceived or first actually reduced to practice in the course of or under this Agreement, the Sponsor agrees to and does 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 or acquired by the Sponsor, which at any time, through completion of this Agreement, are owned or controlled by the Sponsor and 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 the 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.

#### **8. Early Termination of Agreement**

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

## Appendix C

### RIGHTS IN TECHNICAL DATA - USE OF FACILITIES

1. The following definitions shall be used.
  - A. **"Generated Information"** means information produced in the performance of this Agreement.
  - B. **"Proprietary Information"** means information which is developed at private expense outside of work under this Agreement, 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)).
  - C. **"Protected Generated Information"** means Generated Information that would be a trade secret or commercial or financial information that is privileged or confidential if the information had been obtained from a non-Federal party.
  - D. **"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. The Sponsor agrees to furnish to the Contractor or leave at the facility that information, if any, which is (1) essential to the performance of work by the Contractor personnel or (2) necessary for the health and safety of such personnel in the performance of the work. Any information furnished to the Contractor shall be deemed to have been delivered with Unlimited Rights unless marked as Proprietary Information. The Sponsor agrees that it has the sole responsibility for appropriately identifying and marking all documents containing Proprietary Information, whether such documents are furnished by the Sponsor or produced under this Agreement and have such Proprietary Information incorporated therein. Upon completion of activities under this Agreement, Proprietary Information will be disposed of as requested by the Sponsor. Before the Contractor releases data associated with this Agreement to anyone, the Sponsor will be afforded the opportunity to review that data to ascertain whether it contains Proprietary Information and to mark it as such.
3. The Government and Contractor agree not to disclose properly marked Proprietary Information to anyone other than the Sponsor without written approval of the Sponsor, 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).
4. The Sponsor is solely responsible for designating the disposition of all of its Proprietary Information at the facility before termination of this Agreement. The Government and 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.
5. The Sponsor agrees that the Contractor will provide to the Department a nonproprietary description of the work performed under this Agreement.
6. The Sponsor may designate as Protected Generated Information any Generated Information meeting the definition of paragraph 1.C. above. Such Protected Generated Information will, to the extent permitted by law, be maintained in confidence and disclosed or used by the Contractor (under suitable protective conditions) only for the purpose of carrying out the Contractor's responsibilities under this Agreement. The Sponsor is solely responsible for designating the disposition of all Protected Generated Information by or before termination of this Agreement. The Government and the Contractor shall have Unlimited Rights in any Protected Generated Information which is not removed or designated for removal from the facility by termination of this Agreement.
7. **Copyrights.** Each Party may assert copyright in any of its Generated Information. The Sponsor reserves at least a royalty-free non-exclusive license in copyrighted Contractor Generated Information. Subject to the other provisions of this article, and to the extent that copyright is asserted, the Government reserves for itself a royalty-free, world-wide, irrevocable, non-exclusive license for Governmental purposes to publish, distribute, translate, duplicate, exhibit, prepare derivative works, and perform a such data.
8. The Government shall have Unlimited Rights in all Generated Information produced or information provided by the Party under this Agreement, except for information which is disclosed in an invention disclosure being considered for patent protection, or which is marked as being Proprietary Information, Protected Generated Information, or information marked as copyrighted.
9. The terms and conditions of this article shall survive the Agreement, in the event that the Agreement is terminated before completion of the Statement of Work.

**Appendix C**

**RIGHTS IN TECHNICAL DATA - USE OF FACILITIES  
(Short Form)**

The Sponsor, the Contractor and the Government shall have the right to use, disclose and duplicate for any purpose whatsoever and have others do so, all technical data first produced or used in the performance of work under this Agreement. (Technical data is defined as set forth in 48 CFR 27.401.)

Any Sponsor furnished, properly marked, proprietary data necessary for, or pertaining to, work under this Agreement will not be disclosed outside the Government or Contractor, and will be returned to the Sponsor by or before termination of this Agreement.