APPENDIX A- INTELLECTUAL PROPERTY RIGHTS (STANDARD)

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

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

   A. "Facility Contractor" means [NAME OF CONTRACTOR] as Operator of [NAME OF FACILITY], operating under DOE Prime Contract No. [INSERT] or any successor contractor thereof.

   B. "Contractor-P" means Facility Contractors' private capacity in which they are not acting in their capacity as M&O contractor for their respective Facilities.

   C. "IP Lead" means the designated Party that will have the ability to elect to retain initial title to Subject Inventions developed under this Agreement subject to the terms and conditions described in this Clause.

   D. "ACT Participant" means a non-Federal entity that is a signatory to this Agreement, including Contractor-P.

   E. "Subject Invention" means any invention or discovery of the Contractor, either as Facility Contractor or Contractor-P, or, to the extent another ACT Participant or a Facility subcontractor is performing any work under this Agreement, of the ACT Participant or Facility subcontractor respectively, conceived in the course of, or under this Agreement or, in the case of an invention previously conceived by the Contractor-P, ACT Participant or Facility subcontractor, first actually reduced to practice in the course of or under this Agreement. "Subject Invention" includes any art, method, process, machine, manufacture, design or composition of matter, or any new and useful improvement thereof, or any variety of plant, whether patented under the Patent Laws of the United States of America or any foreign country, or unpatented.

   F. "Patent Counsel" means the DOE/NNSA field Patent Counsel assisting the procuring activity which has the administrative responsibility for the Facility where the work under this Agreement is to be performed.

2. Rights of the IP Lead

   A. Election to Retain Rights

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

3. Rights of Facility Contractor and Government

   A. Assignment to either the Facility or the Government

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

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

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

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

B. Terms and Conditions of Waived Rights

(1) To preserve the Facility Contractor's and the Government's residual rights to Subject Inventions, and in patent applications and patents on Subject Inventions. the IP Lead shall take all actions in electing, filing on, prosecuting, and maintaining invention rights promptly, but in any event, in sufficient time to satisfy domestic and foreign statutory and regulatory time requirements, or, if the IP Lead or other party responsible for the prosecution or maintenance of a Subject Invention decides not to take appropriate steps to protect the invention rights, it shall notify the Facility Contractor in sufficient time to permit either the Facility Contractor or the Government to file, prosecute, and maintain patent applications and any resulting patents prior to the end of such domestic or foreign statutory or regulatory time requirements.

(2) The IP Lead or other party that has assumed the responsibilities of the IP Lead for a Subject Invention shall convey or ensure the conveyance of any executed instruments necessary to vest in either the Facility or the Government the rights set forth in this Clause.

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

(4) The IP Lead or other party that has assumed the responsibilities of the IP Lead for a Subject Invention shall ensure that the Government is provided a copy of any patent application filed on a Subject Invention within 6 months after such application is filed, including its serial number and filing date.

(5) Preference for U.S. Industry. Notwithstanding any other provision of this Clause, any ACT Participant retaining title to a Subject Invention agrees that neither it nor any assignee will grant to any person the exclusive right to use or sell any Subject Invention in the United States unless such person agrees that any products embodying the Subject Invention or produced through the use of the Subject Invention will be manufactured substantially in the United States. However, in individual cases, the requirement for such an agreement may be waived by DOE upon a showing by the ACT Participant retaining title or its assignee that reasonable but unsuccessful efforts have been made to grant licenses on similar terms to potential licensees that would be likely to manufacture substantially in the United States or that under the circumstances domestic manufacture is not commercially feasible.

(6) The IP Lead or other party that has assumed the responsibilities of the IP Lead for a Subject Invention agrees to refund any amounts received as royalty charges on any Subject Invention in

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

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

4. Invention Identification, Disclosures, and Reports

A. The ACT Participant(s) shall furnish the IP Lead a written report containing full and complete technical information concerning each Subject Invention it makes within 6 months after conception or first actual reduction to practice, whichever occurs first, in the course of or under this Agreement, but in any event prior to any on sale, public use, or public disclosure of such invention known to the Parties. The report shall identify this Agreement and inventor and shall be sufficiently complete in technical detail and appropriately illustrated by sketch or diagram to convey to one skilled in the art to which the invention pertains a clear understanding to the extent known at the time of disclosure, of the nature, purpose, operation, and to the extent known, the physical, chemical, biological, or electrical characteristics of the invention. The IP Lead shall provide the written report to Patent Counsel and shall notify DOE within 6 months of the date of such report and shall include any election of patent rights under this Clause. When an invention is reported under this Paragraph 4.A., it shall be presumed to have been made in the manner specified in Section (a)(1) and (2) of 42 USC 5908.

B. The Facility Contractor shall report to DOE Subject Inventions it makes in accordance with the procedures set forth in Contract _____. In addition, the Facility Contractor shall disclose to the ACT Participant(s) and IP Lead at the same time as disclosure to DOE any Subject Inventions made by the Facility Contractor under this Agreement and the IP Lead shall notify DOE within 6 months of receipt of such disclosure any election of patent rights under this Clause.

C. Requests for extension of time for election under Subparagraphs A. and B. may be granted by Patent Counsel for good cause shown in writing.

5. Limitation of Rights

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

6. Facilities License

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

7. Early Termination of Agreement

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

RIGHTS IN TECHNICAL DATA –PROPRIETARY DATA PROTECTION

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

   A. "Facility Contractor" means [NAME OF CONTRACTOR] as Operator of [NAME OF FACILITY], operating under DOE Prime Contract No. [INSERT] or any successor contractor thereof.

   B. "Contractor-P" means Facility Contractors' private capacity in which they are not acting in their capacity as M&O contractor for their respective Facilities.

   C. "IP Lead" means the designated Party that will have the ability to elect to retain initial title to Subject Inventions developed under this Agreement subject to the terms and conditions described in this Clause.

   D. "ACT Participant" means a non-Federal entity that is a signatory to this Agreement, including Contractor-P.

   E. "Generated Information" means information produced in the performance of this Agreement and Facility subcontracts under this Agreement.

   F. "Proprietary Information" means information which is developed at private expense, is marked as Proprietary Information, and embodies: (1) trade secrets; or (2) commercial or financial information which is privileged or confidential under the Freedom of Information Act (5 USC 552 (b)(4)).

   G. "Unlimited Rights" means the right to use, disclose, reproduce, prepare derivative works, distribute copies to the public, and perform publicly and display publicly, in any manner and for any purpose, and to have or permit others to do so.

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

3. The ACT Participants may designate as Proprietary Information any Generated Information where such data would embody trade secrets or would comprise commercial or financial information that is privileged or confidential if it were obtained from a third party. Such Proprietary Information will, to the extent permitted by law, be maintained in confidence and disclosed or used by the Facility Contractor (under suitable protective conditions) only for the purpose of carrying out the Facility Contractor's responsibilities under this Agreement. Upon completion of activities under this Agreement, such Proprietary Information will be disposed of as requested by the IP Lead. Before the Facility Contractor releases data associated with this

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

4. The Government and Facility Contractor agree not to disclose properly marked Proprietary Information to anyone other than the ACT Participants without written approval of the disclosing party, except to Government employees who are subject to the statutory provisions against disclosure of confidential information set forth in the Trade Secrets Act (18 USC 1905). The Government and Facility Contractor shall have the right, at reasonable times up to three (3) years after the termination or completion of this Agreement, to inspect any information designated as Proprietary Information, for the purpose of verifying that such information has been properly identified as Proprietary Information.

5. The ACT Participant(s) is solely responsible for the removal of all of its Proprietary Information from the facility by or before termination of this Agreement. The Government and Facility Contractor shall have Unlimited Rights in any information which is not removed from the Facility by termination of this Agreement. The Government and Facility shall have Unlimited Rights in any Proprietary Information which is incorporated into the facility or equipment under this Agreement to such extent that the facility or equipment is not restored to the condition existing prior to such incorporation.

6. The Government shall have Unlimited Rights in all Generated Information produced or information provided to the Facility Contractor by the Parties under this Agreement, except for information which is disclosed in a Subject Invention disclosure being considered for patent protection, or which is marked as being Proprietary Information.

7. Copyrights. The ACT Participants may assert Copyright in any of their Generated Information, and may also require the Facility Contractor, at the Participants' expense, to register copyright and assign copyright to the IP Lead in any Generated Information produced by the Facility Contractor which the ACT Participants wish to copyright. Subject to the other provisions of this clause, and to the extent copyright is asserted, the Government reserves for itself and others acting in its behalf, a paid-up, world-wide, irrevocable, non-exclusive license for Governmental purposes to publish, distribute, translate, duplicate, exhibit, prepare derivative works, and perform any such copyrighted works.

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