**ATTACHMENT 2:**

**ARPA-E INTELLECTUAL PROPERTY PROVISIONS**

**FOR GRANT WITH DOMESTIC UNIVERSITIES**

**AND NONPROFIT ORGANIZATIONS**

**INCLUDING ENHANCED U.S. COMPETITIVENESS**

1. 2 CFR 200.315 Intangible Property
2. 37 CFR 401.14 Patent Rights (Nonprofit Organizations) MODIFIED
3. Subawards

NOTE: In reading these provisions, any reference to “*Contractor*” shall mean “*Recipient*,” and any reference to “*contract*” or “*subcontract*” shall mean “*award*” or “*subaward*.”

\*The recipient and any subrecipients are subject to the policy of the Determination of Exceptional Circumstances (DEC) under the Bayh-Dole Act to Further Promote Domestic Manufacture of DOE Science and Energy Technologies executed by DOE on June 7,2021. A copy of the DEC is available at https://www.energy.gov/gc/determination-exceptional-circumstances-decs.

NOTE: Please refer to Attachment 4 (ARPA-E Reporting Checklist and Instructions) for guidance on complying with the intellectual property reporting obligations referenced herein.

A Non-Federal Entity is subject to the intellectual property requirements at 2 CFR 200.315.

# Intangible Property (2 CFR 200.315)

1. Title to intangible property (see 2 CFR 200.59) acquired under a Federal award vests upon acquisition in the non-Federal entity. The non-Federal entity must use that property for the originally authorized purpose, and must not encumber the property without approval of the Federal awarding agency. When no longer needed for the originally authorized purpose, disposition of the intangible property must occur in accordance with the provisions in § 200.313 Equipment paragraph (e).
2. The non-Federal entity may copyright any work that is subject to copyright and was developed, or for which ownership was acquired, under a Federal award. The Federal awarding agency reserves a royalty-free, nonexclusive and irrevocable right to reproduce, publish, or otherwise use the work for Federal purposes, and to authorize others to do so.
3. The non-Federal entity is subject to applicable regulations governing patents and inventions, including government-wide regulations issued by the Department of Commerce at 37 CFR Part 401, “Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Awards, Contracts and Cooperative Agreements.”
4. The Federal government has the right to:
5. Obtain, reproduce, publish, or otherwise use the data produced under a Federal award; and
6. Authorize others to receive, reproduce, publish, or otherwise use such data for Federal purposes.
7. Freedom of Information Act (FOIA).
8. In response to a Freedom of Information Act (FOIA) request for research data relating to published research findings produced under a Federal award that were used by the Federal government in developing an agency action that has the force and effect of law, the Federal awarding agency must request, and the non-Federal entity must provide, within a reasonable time, the research data so that they can be made available to the public through the procedures established under the FOIA. If the Federal awarding agency obtains the research data solely in response to a FOIA request, the Federal awarding agency may charge the requester a reasonable fee equaling the full incremental cost of obtaining the research data. This fee should reflect costs incurred by the Federal agency and the non-Federal entity. This fee is in addition to any fees the Federal awarding agency may assess under the FOIA (5 U.S.C. 552(a)(4)(A)).
9. Published research findings means when:
	1. Research findings are published in a peer-reviewed scientific or technical journal; or
	2. A Federal agency publicly and officially cites the research findings in support of an agency action that has the force and effect of law. “Used by the Federal government in developing an agency action that has the force and effect of law” is defined as when an agency publicly and officially cites the research findings in support of an agency action that has the force and effect of law.
10. Research data means the recorded factual material commonly accepted in the scientific community as necessary to validate research findings, but not any of the following: preliminary analyses, drafts of scientific papers, plans for future research, peer reviews, or communications with colleagues. This “recorded” material excludes physical objects (e.g., laboratory samples). Research data also do not include:
	1. Trade secrets, commercial information, materials necessary to be held confidential by a researcher until they are published, or similar information which is protected under law; and
	2. Personnel and medical information and similar information the disclosure of which would constitute a clearly unwarranted invasion of personal privacy, such as information that could be used to identify a particular person in a research study.

# Standard Patent Rights Clauses (37 CFR 401.14) MODIFIED

1. Definitions

(1) Invention means any [invention](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=dda5db5610c1949bb6f84c59d9ad2902&term_occur=1&term_src=Title:37:Chapter:IV:Part:401:401.14) 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 which is or may be protected under the Plant Variety Protection Act ( [7 U.S.C. 2321](https://www.law.cornell.edu/uscode/text/7/2321)et seq.).

(2) Subject invention means any [invention](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=dda5db5610c1949bb6f84c59d9ad2902&term_occur=2&term_src=Title:37:Chapter:IV:Part:401:401.14) of the Recipient conceived or first actually reduced to practice in the performance of work under this agreement, provided that in the case of a variety of plant, the date of determination (as defined in section 41(d) of the Plant Variety Protection Act, [7 U.S.C. 2401(d)](https://www.law.cornell.edu/uscode/text/7/2401#d)) must also occur during the period of agreement performance.

(3) Practical Application means to manufacture in the case of a composition or product, to practice in the case of a process or method, or to operate in the case of a machine or system; and, in each case, under such conditions as to establish that the [invention](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=dda5db5610c1949bb6f84c59d9ad2902&term_occur=3&term_src=Title:37:Chapter:IV:Part:401:401.14) is being utilized and that its benefits are, to the extent permitted by law or government regulations, available to the public on reasonable terms.

(4) Made when used in relation to any [invention](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=dda5db5610c1949bb6f84c59d9ad2902&term_occur=4&term_src=Title:37:Chapter:IV:Part:401:401.14) means the conception or first actual reduction to practice of such [invention](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=dda5db5610c1949bb6f84c59d9ad2902&term_occur=5&term_src=Title:37:Chapter:IV:Part:401:401.14).

(5) Small Business Firm means a small business concern as defined at section 2 of Pub. L. 85-536 ( [15 U.S.C. 632](https://www.law.cornell.edu/uscode/text/15/632)) and implementing regulations of the Administrator of the Small Business Administration. For the purpose of this clause, the size standards for small business concerns involved in government procurement and subcontracting at [13](https://www.law.cornell.edu/cfr/text/13) CFR [121.3-8](https://www.law.cornell.edu/cfr/text/13/121.3-8) and [13](https://www.law.cornell.edu/cfr/text/13/13) CFR 121.3-12, respectively, will be used.

(6) Nonprofit Organization means a university or other institution of higher education or an organization of the type described in section 501(c)(3) of the Internal Revenue Code of 1954 ( [26 U.S.C. 501(c)](https://www.law.cornell.edu/uscode/text/26/501#c) and exempt from taxation under section 501(a) of the Internal Revenue Code ( [25 U.S.C. 501(a)](https://www.law.cornell.edu/uscode/text/25/501#a)) or any nonprofit scientific or educational organization qualified under a state [nonprofit organization](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=d75874070edf31bdbe31cf0e39b510c9&term_occur=1&term_src=Title:37:Chapter:IV:Part:401:401.14) statute.

(7) The term statutory period means the one-year period before the effective filing date of a claimed [invention](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=dda5db5610c1949bb6f84c59d9ad2902&term_occur=6&term_src=Title:37:Chapter:IV:Part:401:401.14) during which exceptions to prior art exist per [35 U.S.C. 102(b)](https://www.law.cornell.edu/uscode/text/35/102#b) as amended by the Leahy-Smith America Invents Act, [Public Law 112-29](https://www.law.cornell.edu/rio/citation/Pub._L._112-29).

(b) Allocation of Principal Rights

The Recipient may retain the entire right, title, and interest throughout the world to each [subject invention](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=e24dda008cb73fa5b186f92d4c4a04e4&term_occur=1&term_src=Title:37:Chapter:IV:Part:401:401.14) subject to the provisions of this clause and [35 U.S.C. 203](https://www.law.cornell.edu/uscode/text/35/203). With respect to any [subject invention](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=e24dda008cb73fa5b186f92d4c4a04e4&term_occur=2&term_src=Title:37:Chapter:IV:Part:401:401.14) in which the Recipient retains title, the Federal government shall have a nonexclusive, nontransferable, irrevocable, paid-up license to practice or have practiced for or on behalf of the United States the [subject invention](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=e24dda008cb73fa5b186f92d4c4a04e4&term_occur=3&term_src=Title:37:Chapter:IV:Part:401:401.14) throughout the world.

(c) Invention Disclosure, Election of Title and Filing of Patent Application by Recipient

(1) The Recipient will disclose each [subject invention](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=e24dda008cb73fa5b186f92d4c4a04e4&term_occur=4&term_src=Title:37:Chapter:IV:Part:401:401.14) to the Federal Agency within two months after the inventor discloses it in writing to Recipient personnel responsible for patent matters. The disclosure to the agency shall be in the form of a written report and shall identify the agreement under which the [invention](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=dda5db5610c1949bb6f84c59d9ad2902&term_occur=7&term_src=Title:37:Chapter:IV:Part:401:401.14) was [made](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=daf41e7a2366168d2a4d6f2edc0e79a7&term_occur=1&term_src=Title:37:Chapter:IV:Part:401:401.14) and the inventor(s). It shall be sufficiently complete in technical detail to convey a clear understanding to the extent known at the time of the disclosure, of the nature, purpose, operation, and the physical, chemical, biological or electrical characteristics of the [invention](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=dda5db5610c1949bb6f84c59d9ad2902&term_occur=10&term_src=Title:37:Chapter:IV:Part:401:401.14). The disclosure shall also identify any publication, on sale or public use of the [invention](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=dda5db5610c1949bb6f84c59d9ad2902&term_occur=8&term_src=Title:37:Chapter:IV:Part:401:401.14) and whether a manuscript describing the [invention](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=dda5db5610c1949bb6f84c59d9ad2902&term_occur=9&term_src=Title:37:Chapter:IV:Part:401:401.14) has been submitted for publication and, if so, whether it has been accepted for publication at the time of disclosure. In addition, after disclosure to the agency, the Recipient will promptly notify the agency of the acceptance of any manuscript describing the [invention](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=dda5db5610c1949bb6f84c59d9ad2902&term_occur=11&term_src=Title:37:Chapter:IV:Part:401:401.14) for publication or of any on sale or public use planned by the Recipient.

(2) The Recipient will elect in writing whether or not to retain title to any such [invention](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=dda5db5610c1949bb6f84c59d9ad2902&term_occur=12&term_src=Title:37:Chapter:IV:Part:401:401.14) by notifying the Federal agency within two years of disclosure to the Federal agency. However, in any case where a patent, a printed publication, public use, sale, or other availability to the public has initiated the one year [statutory period](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=02e435a3522b29d42016dc5cbbfd3af2&term_occur=1&term_src=Title:37:Chapter:IV:Part:401:401.14) wherein valid patent protection can still be obtained in the United States, the period for election of title may be shortened by the agency to a date that is no more than 60 days prior to the end of the [statutory period](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=02e435a3522b29d42016dc5cbbfd3af2&term_occur=2&term_src=Title:37:Chapter:IV:Part:401:401.14).

(3) The Recipient will file its [initial patent application](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=687b4156386528d2149ab8a0a939bdd2&term_occur=1&term_src=Title:37:Chapter:IV:Part:401:401.14) on a [subject invention](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=e24dda008cb73fa5b186f92d4c4a04e4&term_occur=5&term_src=Title:37:Chapter:IV:Part:401:401.14) to which it elects to retain title within one year after election of title or, if earlier, prior to the end of any [statutory period](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=02e435a3522b29d42016dc5cbbfd3af2&term_occur=3&term_src=Title:37:Chapter:IV:Part:401:401.14) wherein valid patent protection can be obtained in the United States after a publication, on sale, or public use. If the Recipient files a provisional application as its [initial patent application](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=687b4156386528d2149ab8a0a939bdd2&term_occur=2&term_src=Title:37:Chapter:IV:Part:401:401.14), it shall file a non-provisional application within 10 months of the filing of the provisional application. The Recipient will file [patent applications](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=1228a15f040b35ca692dd6fa5d797c65&term_occur=2&term_src=Title:37:Chapter:IV:Part:401:401.14) in additional countries or international patent offices within either ten months of the first filed [patent application](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=1228a15f040b35ca692dd6fa5d797c65&term_occur=1&term_src=Title:37:Chapter:IV:Part:401:401.14) or six months from the date permission is granted by the Commissioner of Patents to file foreign [patent applications](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=1228a15f040b35ca692dd6fa5d797c65&term_occur=3&term_src=Title:37:Chapter:IV:Part:401:401.14) where such filing has been prohibited by a Secrecy Order.

(4) For any [subject invention](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=e24dda008cb73fa5b186f92d4c4a04e4&term_occur=6&term_src=Title:37:Chapter:IV:Part:401:401.14) with Federal agency and Recipient co-inventors, where the Federal agency employing such co-inventor determines that it would be in the interest of the government, pursuant to [35 U.S.C. 207(a)(3)](https://www.law.cornell.edu/uscode/text/35/207#a_3), to file an [initial patent application](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=687b4156386528d2149ab8a0a939bdd2&term_occur=3&term_src=Title:37:Chapter:IV:Part:401:401.14) on the [subject invention](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=e24dda008cb73fa5b186f92d4c4a04e4&term_occur=7&term_src=Title:37:Chapter:IV:Part:401:401.14), the Federal agency employing such co-inventor, at its discretion and in consultation with the Recipient, may file such application at its own expense, provided that the Recipient retains the ability to elect title pursuant to [35 U.S.C. 202(a)](https://www.law.cornell.edu/uscode/text/35/202#a).

(5) Requests for extension of the time for disclosure, election, and filing under paragraphs (1), (2), and (3) of this clause may, at the discretion of the Federal agency, be granted. When a Recipient has requested an extension for filing a non-provisional application after filing a provisional application, a one-year extension will be granted unless the Federal agency notifies the Recipient within 60 days of receiving the request.

(d) Conditions When the Government May Obtain Title

The Recipient will convey to the Federal agency, upon written request, title to any [subject invention](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=e24dda008cb73fa5b186f92d4c4a04e4&term_occur=8&term_src=Title:37:Chapter:IV:Part:401:401.14) -

(1) If the Recipient fails to disclose or elect title to the [subject invention](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=e24dda008cb73fa5b186f92d4c4a04e4&term_occur=9&term_src=Title:37:Chapter:IV:Part:401:401.14) within the times specified in paragraph (c) of this clause, or elects not to retain title.

(2) In those countries in which the Recipient fails to file [patent applications](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=1228a15f040b35ca692dd6fa5d797c65&term_occur=4&term_src=Title:37:Chapter:IV:Part:401:401.14) within the times specified in paragraph (c) of this clause; provided, however, that if the Recipient has filed a [patent application](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=1228a15f040b35ca692dd6fa5d797c65&term_occur=5&term_src=Title:37:Chapter:IV:Part:401:401.14) in a country after the times specified in paragraph (c) of this clause, but prior to its receipt of the written request of the Federal agency, the Recipient shall continue to retain title in that country.

(3) In any country in which the Recipient decides not to continue the prosecution of any non-provisional [patent application](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=1228a15f040b35ca692dd6fa5d797c65&term_occur=6&term_src=Title:37:Chapter:IV:Part:401:401.14) for, to pay a maintenance, annuity or renewal fee on, or to defend in a reexamination or opposition proceeding on, a patent on a [subject invention](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=e24dda008cb73fa5b186f92d4c4a04e4&term_occur=10&term_src=Title:37:Chapter:IV:Part:401:401.14).

(4) Upon breach of paragraph (m) U.S. Competitiveness on of this Patent Rights clause.

(e) Minimum Rights to Recipient and Protection of the Recipient Right to File

(1) The Recipient will retain a nonexclusive royalty-free license throughout the world in each [subject invention](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=e24dda008cb73fa5b186f92d4c4a04e4&term_occur=11&term_src=Title:37:Chapter:IV:Part:401:401.14) to which the Government obtains title, except if the Recipient fails to disclose the [invention](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=dda5db5610c1949bb6f84c59d9ad2902&term_occur=13&term_src=Title:37:Chapter:IV:Part:401:401.14) within the times specified in (c), above. The Recipient's license extends to its domestic subsidiary and affiliates, if any, within the corporate structure of which the Recipient is a party and includes the right to grant sublicenses of the same scope to the extent the Recipient was legally obligated to do so at the time the agreement was awarded. The license is transferable only with the approval of the Federal agency except when transferred to the successor of that party of the Recipient's business to which the [invention](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=dda5db5610c1949bb6f84c59d9ad2902&term_occur=14&term_src=Title:37:Chapter:IV:Part:401:401.14) pertains.

(2) The Recipient's domestic license may be revoked or modified by the funding Federal agency to the extent necessary to achieve expeditious [practical application](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=3635c8131893802447c425ee60b75766&term_occur=1&term_src=Title:37:Chapter:IV:Part:401:401.14) of the [subject invention](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=e24dda008cb73fa5b186f92d4c4a04e4&term_occur=12&term_src=Title:37:Chapter:IV:Part:401:401.14) pursuant to an application for an exclusive license submitted in accordance with applicable provisions at [37 CFR part 404](https://www.law.cornell.edu/cfr/text/37/part-404) and agency licensing regulations (if any). This license will not be revoked in that field of use or the geographical areas in which the Recipient has achieved [practical application](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=3635c8131893802447c425ee60b75766&term_occur=2&term_src=Title:37:Chapter:IV:Part:401:401.14) and continues to make the benefits of the [invention](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=dda5db5610c1949bb6f84c59d9ad2902&term_occur=15&term_src=Title:37:Chapter:IV:Part:401:401.14) reasonably accessible to the public. The license in any foreign country may be revoked or modified at the discretion of the funding Federal agency to the extent the Recipient, its licensees, or the domestic subsidiaries or affiliates have failed to achieve [practical application](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=3635c8131893802447c425ee60b75766&term_occur=3&term_src=Title:37:Chapter:IV:Part:401:401.14) in that foreign country.

(3) Before revocation or modification of the license, the funding Federal agency will furnish the Recipient a written notice of its intention to revoke or modify the license, and the Recipient will be allowed thirty days (or such other time as may be authorized by the funding Federal agency for good cause shown by the Recipient) after the notice to show cause why the license should not be revoked or modified. The Recipient has the right to appeal, in accordance with applicable regulations in [37 CFR part 404](https://www.law.cornell.edu/cfr/text/37/part-404) and agency regulations (if any) concerning the licensing of Government-owned inventions, any decision concerning the revocation or modification of the license.

(f) Recipient Action to Protect the Government's Interest

(1) The Recipient agrees to execute or to have executed and promptly deliver to the Federal agency all instruments necessary to (i) establish or confirm the rights the Government has throughout the world in those [subject inventions](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=e24dda008cb73fa5b186f92d4c4a04e4&term_occur=13&term_src=Title:37:Chapter:IV:Part:401:401.14) to which the Recipient elects to retain title, and (ii) convey title to the Federal agency when requested under paragraph (d) above and to enable the government to obtain patent protection throughout the world in that [subject invention](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=e24dda008cb73fa5b186f92d4c4a04e4&term_occur=14&term_src=Title:37:Chapter:IV:Part:401:401.14).

(2) The Recipient agrees to require, by written agreement, its employees, other than clerical and nontechnical employees, to disclose promptly in writing to personnel identified as responsible for the administration of patent matters and in a format suggested by the Recipient each [subject invention](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=e24dda008cb73fa5b186f92d4c4a04e4&term_occur=15&term_src=Title:37:Chapter:IV:Part:401:401.14) [made](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=daf41e7a2366168d2a4d6f2edc0e79a7&term_occur=2&term_src=Title:37:Chapter:IV:Part:401:401.14) under agreement in order that the Recipient can comply with the disclosure provisions of paragraph (c) of this clause, to assign to the Recipient the entire right, title and interest in and to each [subject invention](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=e24dda008cb73fa5b186f92d4c4a04e4&term_occur=16&term_src=Title:37:Chapter:IV:Part:401:401.14) [made](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=daf41e7a2366168d2a4d6f2edc0e79a7&term_occur=3&term_src=Title:37:Chapter:IV:Part:401:401.14) under agreement, and to execute all papers necessary to file [patent applications](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=1228a15f040b35ca692dd6fa5d797c65&term_occur=7&term_src=Title:37:Chapter:IV:Part:401:401.14) on [subject inventions](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=e24dda008cb73fa5b186f92d4c4a04e4&term_occur=17&term_src=Title:37:Chapter:IV:Part:401:401.14) and to establish the government's rights in the [subject inventions](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=e24dda008cb73fa5b186f92d4c4a04e4&term_occur=18&term_src=Title:37:Chapter:IV:Part:401:401.14). This disclosure format should require, as a minimum, the information required by paragraph (c)(1) of this clause. The Recipient shall instruct such employees through employee agreements or other suitable educational programs on the importance of reporting [inventions](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=dda5db5610c1949bb6f84c59d9ad2902&term_occur=16&term_src=Title:37:Chapter:IV:Part:401:401.14) in sufficient time to permit the filing of [patent applications](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=1228a15f040b35ca692dd6fa5d797c65&term_occur=8&term_src=Title:37:Chapter:IV:Part:401:401.14) prior to U.S. or foreign statutory bars.

(3) For each [subject invention](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=e24dda008cb73fa5b186f92d4c4a04e4&term_occur=19&term_src=Title:37:Chapter:IV:Part:401:401.14), the Recipient will, no less than 60 days prior to the expiration of the statutory deadline, notify the Federal agency of any decision: Not to continue the prosecution of a non-provisional [patent application](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=1228a15f040b35ca692dd6fa5d797c65&term_occur=9&term_src=Title:37:Chapter:IV:Part:401:401.14); not to pay a maintenance, annuity or renewal fee; not to defend in a reexamination or opposition proceeding on a patent, in any country; to request, be a party to, or take action in a trial proceeding before the Patent Trial and Appeals Board of the U.S. Patent and Trademark Office, including but not limited to post-grant review, review of a business method patent, inter partes review, and derivation proceeding; or to request, be a party to, or take action in a non-trial submission of art or information at the U.S. Patent and Trademark Office, including but not limited to a pre-issuance submission, a post-issuance submission, and supplemental examination.

(4) The Recipient agrees to include, within the specification of any United States [patent applications](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=1228a15f040b35ca692dd6fa5d797c65&term_occur=10&term_src=Title:37:Chapter:IV:Part:401:401.14) and any patent issuing thereon covering a [subject invention](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=e24dda008cb73fa5b186f92d4c4a04e4&term_occur=20&term_src=Title:37:Chapter:IV:Part:401:401.14), the following statement, “This [invention](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=dda5db5610c1949bb6f84c59d9ad2902&term_occur=17&term_src=Title:37:Chapter:IV:Part:401:401.14) was [made](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=daf41e7a2366168d2a4d6f2edc0e79a7&term_occur=4&term_src=Title:37:Chapter:IV:Part:401:401.14) with government support under (identify the agreement) awarded by (identify the Federal agency). The government has certain rights in the [invention](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=dda5db5610c1949bb6f84c59d9ad2902&term_occur=18&term_src=Title:37:Chapter:IV:Part:401:401.14).”

(g) Subawards

(1) The Recipient will include this clause, suitably modified to identify the parties, in all subawards, regardless of tier, for experimental, developmental or research work to be performed by a domestic small business firm or nonprofit organization. The subrecipient will retain all rights provided for the Recipient in this clause, and the Recipient will not, as part of the consideration for awarding the subaward, obtain rights in the subrecipient's subject inventions.

(2) The Recipient will include in all other subawards, regardless of tier, for experimental developmental or research work the patent rights clause directed by the Contracting Officer.

(h) Reporting on Utilization of Subject Inventions

The Recipient agrees to submit on request periodic reports no more frequently than annually on the utilization of a [subject invention](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=e24dda008cb73fa5b186f92d4c4a04e4&term_occur=21&term_src=Title:37:Chapter:IV:Part:401:401.14) or on efforts at obtaining such utilization that are being [made](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=daf41e7a2366168d2a4d6f2edc0e79a7&term_occur=5&term_src=Title:37:Chapter:IV:Part:401:401.14) by the Recipient or its licensees or assignees. Such reports shall include information regarding the status of development, date of first commercial sale or use, gross royalties received by the [Recipient](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=5aa0f4fd6e91056bbae3fec1ba9ad060&term_occur=2&term_src=Title:37:Chapter:IV:Part:401:401.14), and such other data and information as the agency may reasonably specify. The Recipient also agrees to provide additional reports as may be requested by the agency in connection with any march-in proceeding undertaken by the agency in accordance with paragraph (j) of this clause. As required by [35 U.S.C. 202(c)(5)](https://www.law.cornell.edu/uscode/text/35/202#c_5), the agency agrees it will not disclose such information to persons outside the government without permission of the Recipient.

(i) Preference for United States Industry

Notwithstanding any other provision of this clause, the Recipient agrees that neither it nor any assignee will grant to any person the exclusive right to use or sell any [subject inventions](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=e24dda008cb73fa5b186f92d4c4a04e4&term_occur=24&term_src=Title:37:Chapter:IV:Part:401:401.14) in the United States unless such person agrees that any products embodying the [subject invention](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=e24dda008cb73fa5b186f92d4c4a04e4&term_occur=22&term_src=Title:37:Chapter:IV:Part:401:401.14) or produced through the use of the [subject invention](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=e24dda008cb73fa5b186f92d4c4a04e4&term_occur=23&term_src=Title:37:Chapter:IV:Part:401:401.14) will be manufactured substantially in the United States. However, in individual cases, the requirement for such an agreement may be waived by the Federal agency upon a showing by the Recipient or its assignee that reasonable but unsuccessful efforts have been [made](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=daf41e7a2366168d2a4d6f2edc0e79a7&term_occur=6&term_src=Title:37:Chapter:IV:Part:401:401.14) 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.

(j) March-in Rights

The Recipient agrees that with respect to any [subject invention](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=e24dda008cb73fa5b186f92d4c4a04e4&term_occur=25&term_src=Title:37:Chapter:IV:Part:401:401.14) in which it has acquired title, the Federal agency has the right in accordance with the procedures in [37 CFR 401.6](https://www.law.cornell.edu/cfr/text/37/401.6) and any supplemental regulations of the agency to require the Recipient, an assignee or exclusive licensee of a [subject invention](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=e24dda008cb73fa5b186f92d4c4a04e4&term_occur=26&term_src=Title:37:Chapter:IV:Part:401:401.14) to grant a nonexclusive, partially exclusive, or exclusive license in any field of use to a responsible applicant or applicants, upon terms that are reasonable under the circumstances, and if the Recipient, assignee, or exclusive licensee refuses such a request the Federal agency has the right to grant such a license itself if the Federal agency determines that:

(1) Such action is necessary because the Recipient or assignee has not taken, or is not expected to take within a reasonable time, effective steps to achieve [practical application](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=3635c8131893802447c425ee60b75766&term_occur=4&term_src=Title:37:Chapter:IV:Part:401:401.14) of the [subject invention](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=e24dda008cb73fa5b186f92d4c4a04e4&term_occur=27&term_src=Title:37:Chapter:IV:Part:401:401.14) in such field of use.

(2) Such action is necessary to alleviate health or safety needs which are not reasonably satisfied by the Recipient, assignee or their licensees;

(3) Such action is necessary to meet requirements for public use specified by Federal regulations and such requirements are not reasonably satisfied by the Recipient, assignee or licensees; or

(4) Such action is necessary because the agreement required by paragraph (i) of this clause has not been obtained or waived or because a licensee of the exclusive right to use or sell any [subject invention](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=e24dda008cb73fa5b186f92d4c4a04e4&term_occur=28&term_src=Title:37:Chapter:IV:Part:401:401.14) in the United States is in breach of such agreement.

(k) Special Provisions for Agreements with Nonprofit Organizations

If the Recipient is a [nonprofit organization](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=d75874070edf31bdbe31cf0e39b510c9&term_occur=3&term_src=Title:37:Chapter:IV:Part:401:401.14), it agrees that:

(1) Rights to a [subject invention](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=e24dda008cb73fa5b186f92d4c4a04e4&term_occur=29&term_src=Title:37:Chapter:IV:Part:401:401.14) in the United States may not be assigned without the approval of the Federal agency, except where such assignment is [made](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=daf41e7a2366168d2a4d6f2edc0e79a7&term_occur=7&term_src=Title:37:Chapter:IV:Part:401:401.14) to an organization which has as one of its primary functions the management of inventions, provided that such assignee will be subject to the same provisions as the Recipient;

(2) The Recipient will share royalties collected on a [subject invention](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=e24dda008cb73fa5b186f92d4c4a04e4&term_occur=30&term_src=Title:37:Chapter:IV:Part:401:401.14) with the inventor, including Federal employee co-inventors (when the agency deems it appropriate) when the [subject invention](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=e24dda008cb73fa5b186f92d4c4a04e4&term_occur=31&term_src=Title:37:Chapter:IV:Part:401:401.14) is assigned in accordance with [35](https://www.law.cornell.edu/uscode/text/35/) U.S.C. [202(e)](https://www.law.cornell.edu/uscode/text/35/202#e) and[37](https://www.law.cornell.edu/uscode/text/35/37) [37 CFR 401.10](https://www.law.cornell.edu/cfr/text/37/401.10);

(3) The balance of any royalties or income earned by the Recipient with respect to subject inventions, after payment of expenses (including payments to inventors) incidental to the administration of subject inventions, will be utilized for the support of scientific research or education; and

(4) It will make efforts that are reasonable under the circumstances to attract licensees of [subject inventions](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=e24dda008cb73fa5b186f92d4c4a04e4&term_occur=32&term_src=Title:37:Chapter:IV:Part:401:401.14) that are [small business firms](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=806ad29c2a51ab4a2f5388eb0e047fa3&term_occur=3&term_src=Title:37:Chapter:IV:Part:401:401.14) and that it will give a preference to a [small business firm](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=806ad29c2a51ab4a2f5388eb0e047fa3&term_occur=2&term_src=Title:37:Chapter:IV:Part:401:401.14) when licensing a [subject invention](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=e24dda008cb73fa5b186f92d4c4a04e4&term_occur=33&term_src=Title:37:Chapter:IV:Part:401:401.14) if the Recipient determines that the [small business firm](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=806ad29c2a51ab4a2f5388eb0e047fa3&term_occur=4&term_src=Title:37:Chapter:IV:Part:401:401.14) has a plan or proposal for marketing the [invention](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=dda5db5610c1949bb6f84c59d9ad2902&term_occur=19&term_src=Title:37:Chapter:IV:Part:401:401.14) which, if executed, is equally as likely to bring the [invention](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=dda5db5610c1949bb6f84c59d9ad2902&term_occur=20&term_src=Title:37:Chapter:IV:Part:401:401.14) to [practical application](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=3635c8131893802447c425ee60b75766&term_occur=5&term_src=Title:37:Chapter:IV:Part:401:401.14) as any plans or proposals from applicants that are not small business firms; provided, that the Recipient is also satisfied that the [small business firm](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=806ad29c2a51ab4a2f5388eb0e047fa3&term_occur=5&term_src=Title:37:Chapter:IV:Part:401:401.14) has the capability and resources to carry out its plan or proposal. The decision whether to give a preference in any specific case will be at the discretion of the [Recipient](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=5aa0f4fd6e91056bbae3fec1ba9ad060&term_occur=3&term_src=Title:37:Chapter:IV:Part:401:401.14). However, the Recipient agrees that the Federal agency may review the Recipient's licensing program and decisions regarding small business applicants, and the Recipient will negotiate changes to its licensing policies, procedures, or practices with the Federal agency when the Federal agency's review discloses that the Recipient could take reasonable steps to implement more effectively the requirements of this paragraph (k)(4). In accordance with [37 CFR 401.7](https://www.law.cornell.edu/cfr/text/37/401.7), the Federal agency or the Recipient may request that the [Secretary](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=0be23f17ef1c24b8da3685a8523fb345&term_occur=1&term_src=Title:37:Chapter:IV:Part:401:401.14) review the Recipient's licensing program and decisions regarding small business applicants.

(l) Communication

Unless other directed by DOE Patent Counsel, all reports and notifications required by this clause shall be submitted in accordance with the instructions provided in the Federal Assistance Reporting Checklist (FARC) of this agreement.

(m) U.S. Competitiveness

The Recipient agrees that any products embodying any subject invention or produced through the use of any subject invention will be manufactured substantially in the United States unless the Recipient can show to the satisfaction of DOE that it is not commercially feasible. In the event DOE agrees to foreign manufacture, there will be a requirement that the Government's support of the technology be recognized in some appropriate manner, e.g., alternative binding commitments to provide an overall net benefit to the U.S. economy. The Recipient agrees that it will not license, assign or otherwise transfer any subject invention to any entity, at any tier, unless that entity agrees to these same requirements. In the event that the Recipient or other such entity receiving rights in the Subject Invention undergoes a change in ownership amounting to a controlling interest, the Recipient or other such entity receiving rights shall ensure continual compliance with the requirements of this paragraph (m) and shall inform DOE, in writing, of the change in ownership within 6 months of the change. The Recipient and any successor assignee will convey to DOE, upon written request from DOE, title to any subject invention, upon a breach of this paragraph (m). The Recipient will include this paragraph (m) in all subawards/contracts, regardless of tier, for experimental, developmental or research work.

(n) The requirements, rights and administration of paragraph (m) are further clarified as follows:

1. Waivers. The Recipient (or any entity subject to paragraph (m)) may request a waiver or modification of paragraph (m). Such waivers or modifications may be granted when DOE determines that (1) the Recipient (or any entity subject to paragraph (m)) has demonstrated, with quantifiable data, that manufacturing in the United States is not commercially feasible and (2) a waiver or modification would best serve the interests of the United States and the general public.
2. Final determination of breach of paragraph (m). If DOE determines the Recipient is in breach of paragraph (m), the Department may issue a final written determination of such breach. If such determination includes a demand for title to the subject inventions under the award, the demand for title will cause an immediate conveyance and assignment of all rights to all subject inventions under the award to the United States Government, including all pending U.S. and foreign patent applications and all U.S. and foreign patents that cover any subject invention, without compensation. Any such final determination shall be signed by the cognizant DOE Contracting Officer with the concurrence of the Assistant General Counsel for Technology Transfer & Intellectual Property. Advanced notice will be provided for comment to the Recipient before any final written determination by DOE is issued.
3. Pursuant to Recipient’s agreement in paragraph (m) to not license, assign or otherwise transfer rights to subject inventions at any tier unless the entity agrees to paragraph (m): any such license, assignment, or other transfer of right to any subject invention developed under the award shall contain paragraph (m) suitably modified to properly identify the parties. If a licensee, assignee, or other transferee of rights to any subject invention is finally determined by DOE in writing to be in breach of paragraph (m), the applicable license, assignment or other transfer shall be deemed null and void. Advanced notice will be provided for comment to the non-complying party before any final written determination by DOE is made.
4. For clarity, if the forfeiture of title to any subject invention is due to a breach of paragraph (m), the Recipient shall not be entitled to any compensation, or to a license to the subject invention including the reserved license in section (e)(1), unless DOE grants a license through a separately agreed upon licensing agreement.
5. **Subawards**.

(a) Small Business Subawardees: The Recipient shall incorporate all of the intellectual property provisions found in Attachment 2 (DOMESTIC SMALL BUSINESSES INCLUDING ENHANCED U.S. COMPETITIVENESS) of the ARPA-E Model Grant (published at <http://arpa-e.energy.gov/>) in all subawards with domestic small businesses. In incorporating the above-referenced intellectual property provisions, the Recipient shall expressly require compliance with their terms and conditions.

(b) University and Nonprofit Organization Subawardees: The Recipient shall incorporate all of the intellectual property provisions found in Attachment 2 (DOMESTIC UNIVERSITIES AND NONPROFIT ORGANIZATIONS INCLUDING ENHANCED U.S. COMPETITIVENESS) of the ARPA-E Model Grant (published at <http://arpa-e.energy.gov/>) into all subawards with domestic universities or domestic nonprofit organizations. In incorporating the above-referenced intellectual property provisions, the Recipient shall expressly require compliance with their terms and conditions.

(c) Large Business and Foreign Entity Subawardees: If a large business or foreign entity receiving a subaward does not provide cost sharing of at least 20% under its subaward and if the project team, as a whole, (i.e., the Prime Recipient, Subrecipients, and others performing or otherwise supporting work under the award) does not provide cost sharing of at least 20% under the award, the Recipient shall incorporate all of the intellectual property provisions found in Attachment 2 (Large Businesses) of the ARPA-E Model Grant (published at <http://arpa-e.energy.gov/>) into its subaward with the large business or foreign entity. In incorporating the above-referenced intellectual property provisions, the Recipient shall expressly require compliance with their terms and conditions.

(d) Subaward Unlimited Rights Data List: For any subaward/subcontract with a for-profit entity (including subcontracts with for-profit vendors) for experimental, developmental or research work, the Recipient will insert at paragraph (g)(4) under the Rights in Data clause found in Attachment 2 of the ARPA-E Model Grant for Domestic Small Businesses or in the appropriate Attachment 2 of the ARPA-E Model Grant Agreement for Large Businesses, the following list of types of data:

(insert list)

1. **Enhanced U.S. Competitiveness**

(a) The Recipient agrees that any products embodying any elected subject invention or produced through the use of any elected subject invention will be manufactured substantially in the United States for any use or sale in the United States or outside of the United States, unless the Recipient can show to the satisfaction of DOE that it is not commercially feasible to do so. (Baseline U.S. Manufacturing Commitment)

(b) The U.S. Manufacturing Plan submitted as part of the Application process is incorporated in this agreement as an Addendum to this Attachment 2 and shall be binding on the Recipient. In the event DOE agrees to foreign manufacture or to a revision of the U.S. Manufacturing Plan, there will be a requirement that the Government’s support of the technology be recognized in some appropriate manner, e.g., recoupment of the Government’s investment, etc. The Recipient further agrees to make the above condition binding on any assignee or licensee of, or any entity acquiring rights to, any elected subject invention, including subsequent owners of Recipient acquiring a controlling interest, and including subsequent assignees and licensees.

(c) If the Recipient or a licensee of the Recipient fails to comply with the foregoing U.S. manufacturing requirement then:

(1) the Recipient shall and hereby forfeits and assigns all rights to all Subject Inventions under the award to the United States, including all pending U.S. and foreign patent applications and all U.S. and foreign patents that cover any Subject Invention, without compensation;

(2) the Recipient shall and hereby assigns to DOE all licenses that grant any rights to any Subject Inventions to an unaffiliated third party[[1]](#footnote-1) that is in compliance with the domestic manufacturing requirement of this provision;

(3) all licenses, not subject to (2), that grant any rights to any Subject Inventions shall immediately be terminated without compensation from DOE; and

(4) the Recipient shall not be entitled to the license provided in the minimum rights provision of the standard Patent Rights clause or any other license to the Subject Inventions, unless the United States grants a license through a separately agreed upon licensing agreement.

(d) The Recipient may request a waiver or modification of this U.S. Competitveness Provision. Such waivers or modifications will be granted only when (1) the Recipient demonstrates, with quantifiable data, that manufacturing in the United States is not commercially feasible and (2) a waiver or modification would best serve the interests of the United States and the general public.

(e) The Recipient agrees that it will not license (on an exclusive or nonexclusive basis), assign, or otherwise transfer any Subject Invention to any entity unless that entity agrees to these same requirements. Subject to any other provision regarding Change in Ownership in this Agreement, in the event that the Recipient or other such entity receiving rights in the Subject Invention undergoes a change in ownership amounting to a controlling interest, the Recipient shall ensure continual compliance with these requirements and shall inform DOE, in writing, of the change in ownership within 6 months of the change.

1. An "affiliate" of, or a person "affiliated" with, a specified person, is a person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, the person specified. [↑](#footnote-ref-1)