

## Statement of Considerations

CLASS WAIVER OF THE GOVERNMENT'S U.S. AND FOREIGN PATENT RIGHTS IN CERTAIN IDENTIFIED INVENTIONS TO SUCCESSFUL AWARDEES MADE AND TO BE MADE IN THE COURSE OF OR THROUGH ARPA-E NONCOMPETITIVE AWARDS AND FUNDING OPPORTUNITY ANNOUNCEMENT NOS. DE-FOA-0000675, DE-FOA-0000674, DE-FOA-0000672, DE-FOA-0000670, DE-FOA-0000474, DE-FOA-0000473, DE-FOA-0000472, DE-FOA-0000471, DE-FOA-0000470.

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ARPA-E was established and charged with the following objectives:

1. To bring a freshness, excitement, and sense of mission to energy research that will attract many of the U.S.'s best and brightest minds—those of experienced scientists and engineers, and, especially, those of students and young researchers, including persons in the entrepreneurial world;
2. To focus on creative “out-of-the-box” transformational energy research that industry by itself cannot or will not support due to its high risk but where success would provide dramatic benefits for the nation;
3. To utilize a DARPA-like organization that is flat, nimble, and sparse, capable of sustaining for long periods of time those projects whose promise remains real, while phasing out programs that do not prove to be as promising as anticipated; and
4. To create a new tool to bridge the gap between basic energy research and development/industrial innovation.

ARPA-E's mission is to fund projects that will develop transformational technologies that reduce America's dependence on foreign energy imports; reduce U.S. energy related emissions (including greenhouse gases); improve energy efficiency across all sectors of the U.S. economy; and ensure that the U.S. maintains its leadership in developing and deploying advanced energy technologies.

Specifically, the agency aims to:

- Enhance U.S. economic security by identifying technologies with the potential to substantially reduce energy imports from foreign sources; cut energy-related greenhouse gas emissions; and improve efficiency across the energy spectrum.
- Ensure the U.S. remains a technological and economic leader in developing and deploying advanced energy technologies.

ARPA-E focuses exclusively on high risk, high payoff concepts – technologies promising genuine transformation in the ways we generate, store, and utilize energy. If just a fraction of the projects funded by ARPA-E is successful in reaching the marketplace, the U.S. will benefit

greatly by creating new industries and jobs, making energy technologies substantially more cost-saving and profitable, and accelerating the timeframe for achieving energy and climate goals.

Section 152 of the Atomic Energy Act of 1954, 42 U.S.C. § 2182, and section 9 of the Federal Nonnuclear Energy Research and Development Act of 1974, 42 U.S.C. § 5908, provide that the Government obtains title to any invention made under a DOE award that is not subject to the Bayh-Dole Act 35 U.S.C. §§ 200-212. or a Technology Investment Agreement unless title is waived by DOE. It is the purpose of this advance class waiver to waive to the participants in an ARPA-E noncompetitive award or project selected under the above-identified Funding Opportunity Announcements title to the inventions made by the respective participants' employees in a fashion enabling the participants to expediently commercialize the various technologies. Accordingly, DOE will waive the Government's title to subject inventions to the participants agreeing to the terms of this waiver. This class waiver does not apply to inventions made by the Bayh-Dole participants pursuant to P.L. 96-517, as amended, or National Laboratories who already have been provided with title in or to inventions made under Technology Investment Agreements, where no statute governs disposition of title to such inventions, and thus no waiver is required.

This advance class waiver of the Government's rights in inventions is subject to the usual Government license, march-in rights, and preference for U.S. industry provisions set out in 35 U.S.C. §§ 202-204. This class waiver also includes the attached U.S Competitiveness clause, paragraph (t), which requires that products embodying any waived invention or produced through the use of any waived invention be manufactured substantially in the United States unless the participant demonstrates to the satisfaction of DOE Cognizant Patent Counsel, with the concurrence of the Cognizant DOE Program, that it is not commercially feasible to do so. Cognizant Patent Counsel, for good cause shown in writing, may grant a deviation from this U.S. Competitiveness clause in advance of contracting. Each participant further agrees to make the above condition binding on any entity acquiring rights to any waived invention, including subsequent assignees or licensees. Should any participant or other entity receiving rights in any waived invention undergo a change in ownership amounting to a controlling interest, then the waiver, assignment, license, or other transfer of rights in the waived invention is suspended until approved in writing by DOE.


This advance class waiver applies to the recipient of an award or a subaward that provides cost sharing of at least 20% and shall apply to each participant under a teaming arrangement, provided the team provides cost sharing of at least 20%. The requirement to provide at least 20% cost sharing shall be based upon the Contracting Officer's written notice to Cognizant Patent Counsel that the participant is obligated to provide at least 20% cost sharing, and the waiver shall remain in effect for so long as such cost sharing is maintained, in aggregate, over the term of the noncompetitive award or the project selected under the ARPA-E Funding Opportunity Announcement (i.e., DE-FOA-0000675, DE-FOA-0000674, DE-FOA-0000672, DE-FOA-0000670, DE-FOA-0000474, DE-FOA-0000473, DE-FOA-0000472, DE-FOA-0000471, or DE-FOA-0000470).

The grant of this advance class waiver is not expected to have any adverse effects on competition or market concentration. Rather, the waiver should enhance U.S. economic and energy security

through the development of new energy technologies that will compete with existing technologies and other new emerging technologies. In any event, if a participant who is subject to this waiver and has obtained title to an invention arising under the project is not making reasonable efforts to achieve practice application of a waived invention, DOE can exercise march-in rights.

For those who are not subject to Bayh-Dole or do not meet the criteria of this class waiver, they may still request a waiver of all or any part of the rights of the United States in inventions conceived or first actually reduced to practice in performance of an agreement as a result of the noncompetitive awards or above-identified Funding Opportunity Announcements in advance of or within 30 days after the effective date of the award. Even if such advance waiver is not requested or the request is denied, the recipient will have a continuing right under the award to request a waiver of the rights of the United States in the title to identified inventions, i.e., individual inventions conceived or first actually reduced to practice in performance of the award.

Considering the foregoing, and in view of the statutory objectives to be obtained and the factors to be considered under DOE's statutory waiver policy, all of which have been considered, it has been determined that this advance class waiver as set forth above will best serve the interests of the United States and the general public. It is recommended that the waiver be granted.

  
Michlene Nguyen Wormmeester  
Patent Attorney

Based upon the foregoing Statement of Considerations, it is determined that the interests of the United States and the general public will best be served by a waiver of the United States and foreign patent rights as set forth herein, and, therefore, the waiver is granted. This waiver shall not affect any waiver previously granted.


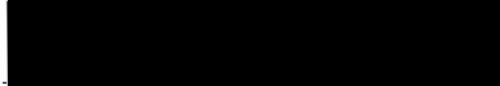
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(t) U.S. COMPETITIVENESS

The participant agrees that any products embodying any waived invention or produced through the use of any waived invention will be manufactured substantially in the United States unless the participant can show to the satisfaction of the DOE that it is not commercially feasible to do so. In the event the 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., recoupment of the Government's investment, etc. The participant agrees that it will not license, assign or otherwise transfer any waived invention to any entity unless that entity agrees to these same requirements. Should the participant or other such entity receiving rights in the invention undergo a change in ownership amounting to a controlling interest, then the waiver, assignment, license, or other transfer of rights in the waived invention is suspended until approved in writing by the DOE.