

STATEMENT OF CONSIDERATIONS

REQUEST BY HALOTECHNICS, INC. ("HALOTECHNICS") FOR AN ADVANCE WAIVER OF DOMESTIC AND FOREIGN PATENT RIGHTS UNDER DOE AWARD NO. DE-FG36-08GO18144; W(A) 2010-020

Award Number DE-FG36-08GO18144, entitled "Deep Eutectic Salt Formulations Suitable as Advanced Heat Transfer Fluids" was awarded to Symyx Technologies, Inc. ("Symyx") on September 28, 2008. Although Symyx started work under this award, Symyx has since reorganized its business. As part of the reorganization, Symyx is no longer pursuing research services, including the Solar Salt research program that was funded by this award. Symyx has agreed to transfer the award and all its rights, titles, and interest thereto to Halotechnics. DOE's Solar Program and the Golden Field Office of Chief Counsel, the field office responsible for administering the award, have consented to the transfer between Symyx and Halotechnics. Specifically, with the execution of the enclosed Novation Agreement between DOE, Symyx, and Halotechnics and the related Stock, Asset and License Agreement between Symyx and Halotechnics, Halotechnics is the successor in interest in and to the award and is entitled to all rights, titles, and interest of Symyx in and to this award as if Halotechnics was the original awardee.

The DOE Solar Program and the Golden Field Office of Chief Counsel agreed to the transfer of the award from Symyx to Halotechnics for several reasons. It is in the best interest of the Solar Program and its goals for the work under the award to continue. Halotechnics is the best entity to continue that work. Justin Raade was the principal investigator for Symyx for the award. Mr. Raade is the founder, President, and principal investigator for Halotechnics for this award. Symyx is assigning or licensing all of its assets to Halotechnics necessary to continue the work of the award, including assigning over a million dollars worth of scientific equipment and software capable of high throughput materials discovery, which is essential to the success of the work under the award. Therefore, the principal investigator and the equipment used under the award will remain the same at Halotechnics as it was at Symyx.

The objective of the award is to develop mixtures of inorganic salt materials that exhibit a high thermal stability, low melting point, and other useful characteristics for use as a heat transfer fluid as part of a concentrating solar power system. Phase I of the award has been successfully completed. During Phase I, over 5,000 unique materials were screened and several salt mixtures with a low melting point and high thermal stability were discovered. During Phase II of the award, screening of additional materials will be conducted. During the final phase of the award, Phase III, field testing, formulation optimization, and selection of commercial production candidates will occur.

Halotechnics, as the successor in interest of this award, has requested a waiver of domestic and foreign patent rights for all subject inventions arising from Symyx's participation under this award. Halotechnics, as a small business, is entitled to obtain title to any subject invention arising from its participation under the award pursuant to P.L. 96-517, as amended. Therefore, this waiver only applies to the activities performed by Symyx under the award.

The granting of this waiver would consolidate the ownership of all subject inventions under this award with Halotechnics. The consolidation of ownership of the subject inventions is important for Halotechnics in order to allow it to secure more funding and investment for the technology developed under the award and for commercialization efforts. The waiver would also encourage more competition within the heat transfer fluid markets. Currently, the market for heat transfer fluids is dominated by Coastal Chemical, Dow Chemicals, and Solutia. If Halotechnics is successful, which is more likely with the waiver than without the waiver, it will be able to break into the heat transfer fluid market and compete against the existing products of these well-established companies.

The total anticipated cost of the award is \$2,064,000 with Symyx and Halotechnics providing a 27% cost share, totaling \$564,000. Specifically, Symyx has contributed \$277,000 for work already performed under the award and Halotechnics has committed to an estimated \$287,000 for the remaining work under the award.

This waiver is contingent upon the above cost share percentage being maintained, in the aggregate, over the course of the award. The waiver is further contingent upon the enclosed Novation Agreement between DOE, Symyx, and Halotechnics and the related Stock, Asset and License Agreement between Symyx and Halotechnics being executed.

Halotechnics has agreed that this waiver shall be subject to the march-in and preference for U.S. industry provisions, as well as the U.S. Government license, comparable to those set out in 35 U.S.C. 202-204. Further, Halotechnics has agreed to the U.S. competitiveness provisions as attached to this Statement. In brief, Halotechnics has agreed that products embodying any waived invention shall be substantially manufactured in the United States, and that Halotechnics will not license, assign, or otherwise transfer any waived invention to any entity unless that entity agrees to these same requirements.

Considering the foregoing, it is believed that granting this waiver will provide Halotechnics with the necessary incentive and ability to invest its resources in commercializing the results of the award in a manner that will make the above technology available to the public in the shortest time. Therefore, upon evaluation of the waiver petition and in view of the objectives and considerations set forth in 10 CFR 784, all of which have been considered, it is recommended that the requested waiver be granted.



Glen R. Drysdale
Patent Attorney
Golden Field Office

Date: 4/20/10

Based upon the foregoing Statement of Considerations and representations in the attached waiver petition, it is determined that the interests of the United States and the general public will best be served by a waiver of patent rights of the scope determined above, and therefore the waiver is granted. This waiver shall not apply to any modification or extension of the agreement, where through such modification or extension, the purpose, scope, or cost of the agreement has been substantially altered.

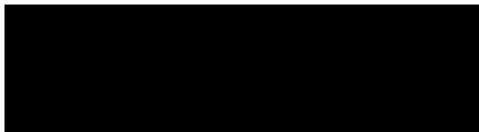
CONCURRENCE:



Jomy Lushnitsky
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Date: 4/30/10

APPROVAL:



Paul A. Gottlieb
Assistant General Counsel for Technology
Transfer and Intellectual Property
GC-62

Date: 5/3/10

U.S. COMPETITIVENESS

The Contractor 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 Contractor can show to the satisfaction of DOE that it is not commercially feasible to do so. 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., recoupment of the Government's investment, etc. The Contractor further agrees to make the above condition binding on any assignee or licensee or any entity otherwise acquiring rights to any waived invention, including subsequent assignees or licensees. Should the Contractor or other such 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 any waived invention is suspended until approved in writing by DOE.