

<b>AWARD / CONTRACT</b>		1. This Contract is a rated order under OPAS (15 CFR 350)	Rating	Page 1 of Pages 30
2. Contract (Proc. Invit. Ident.) No. SA130106CNG048		3. Effective Date Aug 11, 2006	4. Requisition / Purchase Request / Project No. NTIA912-6-0269	
5. Issued By US Department of Commerce CAS, OS Business Solutions Team 1401 Constitution Ave. NW Room 6521 Washington, DC 20230 Carol Silverman CXS 202-482-5543 csilverman@dod.gov		Code SA1301	6. Administered By (if other than item) See Item 5 Code SA1301	

7. Name and address of Contractor (No., Street, City, State and Zip Code) INTERNET CORPORATION FOR ASSIGNED NAMES 4675 ADMIRALTY WAY, STE 330 MARINA DEL REY CA 902926648		Vendor ID: 00000428 DUNS: 045511487 CEC: Cage Code: 4A4S9 TIN: 954712218	8. Delivery <input type="checkbox"/> FOB Origin <input type="checkbox"/> Other (See below)
9. Discount for prompt payment Net 30		10. SUBMIT INVOICES Item (4 copies unless otherwise specified) Address CAMS0007 shown in:	

11. Ship To / Mark For National Tel. and Info. Admin 1401 Constitution Ave. NW Room 4885, HCHB Washington, DC 20230		Code NTIA-HCH	12. Payment will be made by NOAA NPA HQ/FR - Route: OFA232 Bldg. CXXI - Station 2133 20020 Century Blvd Germantown, MD 20874-1143	Code CAMS9007
13. Authority for using other than full and open competition <input type="checkbox"/> 10 U.S.C 2304(C) ) <input type="checkbox"/> 41 U.S.C. 253 (C) )		14. Accounting and Appropriation Data		



14A ITEM NO.	14B SUPPLIES/SERVICES	15C QUANTITY	15D UNIT	15E UNIT PRICE	15F AMOUNT
	The Contractor shall provide the services in accordance with the terms, conditions, and prices described herein.  The Contractor's proposal, dated August 2, 2006, is hereby incorporated by reference.				

15G. TOTAL AMOUNT OF CONTRACT US \$ 0.00

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Contracting Officer will complete item 17 or 18 as applicable

17. <input checked="" type="checkbox"/> CONTRACTOR'S NEGOTIATED AGREEMENT (Contractor is required to sign this document and return 3 copies to issuing office.) Contractor agrees to furnish and deliver all items or perform all the services set forth or otherwise identified above and on any continuation sheets for the consideration stated herein. The rights and obligation of the parties to this contract shall be subject to and governed by the following documents: (a) this award/contract, (b) the solicitation, if any, and (c) such provisions, representations, certifications, and specifications, as are attached or incorporated by reference herein. (Attached are listed herein.)	18. <input type="checkbox"/> AWARD (Contractor is not required to sign this document.) Your offer on Solicitation number _____ including the additions or changes made by you which additions or changes are set forth above, is hereby accepted as to the items listed above and on any continuation sheets. This award consummates the contract which consists of the following documents: (a) the Government's solicitation and your offer, and (b) this award/contract. No further contractual document is necessary.
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19A. Name and Title of Signer (Type or Print) Kurt J. Fritz, Vice President, Business Operations	20A. Name of Contracting Officer Carol Silverman 202-482-5543 csilverman@dod.gov
19B. Name of Contractor By 	20B. United States of America By 
19C. Date Signed 11 August 2006	20C. Date Signed 8/14/06

**Supplies or Services and Prices/Costs**

Item No.	Supplies/Services	Quantity	Unit	Unit Price	Amount
0001	<p>BASE YEAR - October 1, 2006 - September 30, 2007</p> <p>The Contractor shall provide the services necessary for the operation of the Internet Assigned Numbers Authority (IANA) in accordance with the attached statement of work.</p>	1	JB	0.00	0.00
0002	<p>OPTION YEAR 1 - October 1, 2007 - September 30, 2008</p> <p>The Contractor shall provide the services necessary for the operation of the Internet Assigned Numbers Authority (IANA) in accordance with the attached statement of work.</p>	1	JB	0.00	0.00
0003	<p>OPTION YEAR 2 - October 1, 2008 - September 30, 2009</p> <p>The Contractor shall provide the services necessary for the operation of the Internet Assigned Numbers Authority (IANA) in accordance with the attached statement of work.</p>	1	JB	0.00	0.00
0004	<p>OPTION YEAR 3 - October 1, 2009 - September 30, 2010</p> <p>The Contractor shall provide the services necessary for the operation of the Internet Assigned Numbers Authority (IANA) in accordance with the attached statement of work.</p>	1	JB	0.00	0.00
0005	<p>OPTION YEAR 4 - October 1, 2010 - September 30, 2011</p> <p>The Contractor shall provide the services necessary for the operation of the Internet Assigned Numbers Authority (IANA) in accordance with the attached statement of work.</p>	1	JB	0.00	0.00

**SECTION B - SUPPLIES OR SERVICES AND PRICES/COSTS**

**B.1 CONTRACT TYPE**

- (a) This is a cost contract.
- (b) In accordance with Federal Acquisition Regulation (FAR) 16.302(a), a cost contract is a cost-reimbursement contract in which the contractor receives no fee.
- (c) The cost principles established in the Office of Management and Budget (OMB) Circular A-122 shall apply to this contract. OMB Circular A-122 may be retrieved from the following url:

[www.whitehouse.gov/omb/circulars/a122/a122.html](http://www.whitehouse.gov/omb/circulars/a122/a122.html)

(d) The requirements identified in the statement of work shall be performed by the Contractor at no cost to the United States Government. If the Contractor intends on establishing and collecting fees from third parties (*i.e.*, other than the Government) for the functions performed under this contract, the Contractor shall notify the Contracting Officer in writing at least sixty days prior to the fee being applied and provide documentation which identifies the rationale for the fee, the parties to be charged, and the cost basis for the fee in accordance with OMB Circular A-122 and FAR clause 52.215-2, Audit and Records – Negotiations, Alternate II. The Contracting Officer shall approve any fee in writing prior to the Contractor imposing the fee.

**At the time of purchase order award, the estimated value of this purchase order is less than \$10,000.**

**B.2 PERIOD OF PERFORMANCE (CAR 1352.215-70)(MAR 2000)**

- (a) The period of performance of this contract is for a Base Year that commences on October 1, 2006 to September 30, 2007.
- (b) This contract contains four option years of twelve months each. The Government may exercise the option year through the issuance of a unilateral modification. The exercise of an option year will be in compliance with FAR 52.217-9. The Government is not obligated to the Option Years in the contract unless a modification is issued by the Contracting Officer exercising the option year.
- (c) The four option periods that may be exercised are as follows:

<u>Period</u>	<u>Duration</u>
Option Period I	October 1, 2007 to September 30, 2008
Option Period II	October 1, 2008 to September 30, 2009
Option Period III	October 1, 2009 to September 30, 2010
Option Period IV	October 1, 2010 to September 30, 2011

**SECTION C - DESCRIPTION/SPECIFICATIONS/STATEMENT OF WORK**

**C. 1352.211-70 STATEMENT OF WORK/SPECIFICATIONS (MARCH 2000)**

The Contractor shall furnish the necessary personnel, material, equipment, services and facilities to perform the following the Statement of Work/Specifications

**C.1. BACKGROUND**

- C.1.1 The U.S. Department of Commerce (DoC), National Telecommunications and Information Administration (NTIA) has initiated this agreement to maintain the continuity and stability of services related to certain interdependent Internet technical management functions, known collectively as the Internet Assigned Numbers Authority (IANA).
- C.1.2 Initially, these interdependent technical functions were performed on behalf of the Government under a contract between the Defense Advanced Research Projects Agency (DARPA) and the University of Southern California (USC), as part of a research project known as the Terranode Network Technology (TNT). As the TNT project neared completion and the DARPA/USC contract neared expiration in 1999, the Government recognized the need for the continued performance of the IANA functions as vital to the stability and correct functioning of the Internet. On December 24, 1998, USC entered into a transition agreement with the Internet Corporation for Assigned Names and Numbers (ICANN) under which ICANN secured directly from USC, all necessary resources, including key personnel, intellectual property, and computer facility access critical to the continued performance of the IANA functions. Having assumed these key resources (as well as other responsibilities associated with privatization of the Internet domain name system), ICANN was uniquely positioned to undertake performance of these functions. On February 8, 2000, March 21, 2001, and then on March 13, 2003, the DoC entered into an agreement with ICANN to perform the IANA functions. In connection with its work under these agreements, ICANN has developed and maintained close, constructive working relationships with a variety of interested parties, including Internet standards development organizations and technical bodies.
- C.1.3 The Government acknowledges that data submitted by applicants in connection with the IANA function is confidential information. To the extent permitted by law, the Government shall accord any data submitted by applicants in connection with the IANA functions with the same degree of care as it uses to protect its own confidential information, but not less than reasonable care, to prevent the unauthorized use, disclosure or publication of confidential information. In providing data that is subject to such a confidentiality obligation to the Government, the Contractor shall advise the Government of that obligation.

## **C.2 CONTRACTOR REQUIREMENTS**

- C.2.1 The Contractor must perform the required services for this purchase order as a prime Contractor, not as an agent or subcontractor. The Contractor must possess and maintain through the performance of this acquisition a physical address within the United States. The Government reserves the right to inspect the premises, systems, and processes of all security and operational components used for the performance of these requirements.
- C.2.2 The Contractor shall furnish the necessary personnel, material, equipment, services, and facilities to perform the following requirements without any cost to the Government. On or after the effective date of this purchase order, the Contractor may establish and collect fees from third parties (*i.e.*, other than the Government) for the functions performed under this purchase order, provided the fee levels are approved by the Contracting Officer before going into effect, which approval shall not be withheld unreasonably and provided the fee levels are fair and equitable and provided the aggregate fees charged during the term of this purchase order do not exceed the cost of providing the requirements of this purchase order. The Government will review the Contractor's accounting data at anytime fees are charged to verify that the above conditions are being met.
- C.2.2.1 DoC NTIA has a requirement for a Contractor to maintain the operation of the Internet by performing the IANA functions. In performance of this purchase order, the Contractor shall furnish the necessary personnel, material, equipment, services, and facilities (except as otherwise specified), to perform the following IANA requirements.

- C.2.2.1.1 Coordinate the assignment of technical protocol parameters - - This function involves the review and assignment of unique values to various parameters (*e.g.*, operation codes, port numbers, object identifiers, protocol numbers) used in various Internet protocols. This function also includes the dissemination of the listings of assigned parameters through various means (including on-line publication) and the review of technical documents for consistency with assigned values.
- C.2.2.1.2 Perform administrative functions associated with root management - - This function addresses facilitation and coordination of the root zone of the domain name system, with 24 hour-a-day/7 days-a-week coverage. It includes receiving requests for and making routine updates of the country code top level domain (ccTLD) contact (including technical and administrative contacts) and nameserver information. This function also includes receiving delegation and redelegation requests, investigating the circumstances pertinent to those requests, and making recommendations and reporting actions undertaken in connection with processing such requests. All requests, collectively referred to as "IANA root management requests," must be processed promptly and efficiently, and in accordance with processing metrics set forth in Section J - Appendix A. These processing metrics will be posted prominently on Contractor's website. Contractor shall develop and implement a process no later than January 30, 2007, for consulting with the relevant governments and ccTLD managers to encourage greater efficiency and responsiveness to these entities in processing ccTLD requests, consistent with the processing metrics.
- C.2.2.1.3 Allocate Internet Numbering Resources - - This function involves overall responsibility for allocated and unallocated IPv4 and IPv6 address space and Autonomous System Number space. It includes the responsibility for delegation of IP address blocks to regional registries for routine allocation, typically through downstream providers, to Internet end-users within the regions served by those registries. This function also includes reservation and direct allocation of space for special purposes, such as multicast addressing, addresses for private networks as described in RFC 1918, and globally specified applications.
- C.2.2.1.4 Other services - - The Contractor shall perform other IANA functions and implement modifications in performance of the IANA functions as needed upon mutual agreement of the parties.
- C.2.3 Secure Systems -- Computing and communications systems operated by the Contractor shall be installed and operated in accordance with best business and security practices. The Contractor shall implement authenticated communications between it and its customers when carrying out all IANA requirements. Such practices and configuration of all systems shall be documented.
- C.2.4 Secure Data -- The Contractor shall ensure the authentication, integrity, and reliability of the data in performing the IANA requirements, including the data relevant to DNS, root zone file, and IP address allocation.
- C.2.5 Computer Security Plan -- A Computer Security Plan is required. The plan shall be developed and implemented no later than December 1, 2006, and updated annually. The plan shall be delivered to the Government upon request.
- C.2.6 Director of Security -- The Contractor shall designate a Director of Security who shall be responsible for ensuring technical and physical security measures, such as personnel access controls. The name of the Director of Security shall be provided to the Government prior to contract award. The Contracting Officer's Technical Representative (COTR) shall also be notified and consulted in advance when there are personnel changes in this position.

### **C.3 REPORTING REQUIREMENTS**

- C.3.1 Monthly Performance Progress Report -- The Contractor shall prepare and submit to the Contracting Officer and COTR a performance progress report every month (no later than 15 calendar days following the end of each month) that contains statistical and narrative information on the performance of the IANA functions (*i.e.*, assignment of technical protocol parameters; administrative functions associated with root zone management; and allocation of internet numbering resources) during the previous 30-day period. The report shall include a narrative summary of the work performed for each of the functions, and shall include the tables set forth in Section J - Appendix B, completed by the Contractor with appropriate details and particularity. The report shall also describe major events, problems encountered, and any projected significant changes, if any, related to the performance of Section C.2.
- C.3.2 Audit Data -- The Contractor shall generate and retain security process audit record data for one year and provide an annual audit report to the Contracting Officer and the COTR. Specific audit record data will be provided to the Contracting Officer and COTR upon request. All root operations shall be included in the audit, and records on modifications to the root zone file shall be retained for a period of at least one year.
- C.3.3 Final Report -- The Contractor shall prepare and submit a final report on the performance of the IANA functions that documents standard operating procedures, including a description of the techniques, methods, software, and tools employed in the performance of the IANA functions. This report shall be submitted to the Contracting Officer and the COTR no later than 30 days after expiration of the purchase order.

### **C.4 PERFORMANCE EXCLUSIONS**

- C.4.1 This purchase order, in itself, does not authorize modifications, additions, or deletions to the root zone file or associated information. (This purchase order does not alter root system responsibilities as set forth in Amendment 11 of the Cooperative Agreement NCR-9218742 between the DoC and VeriSign, Inc.)
- C.4.2 This purchase order, in itself, does not authorize the Contractor to make material changes in established methods associated with the performance of the IANA functions. Changes in the established methods associated with the performance of the IANA functions may be implemented only upon mutual agreement of the parties.
- C.4.3 The performance of the functions under this contract, including the development of recommendations in connection with changes that constitute delegations and redelegations, shall not be, in any manner, predicated or conditioned on the existence or entry into any contract, agreement or negotiation between the Contractor and any party requesting such changes or any other third-party.

## **SECTION D - PACKAGING AND MARKING**

### **D.1 MARKING DELIVERABLES (CAR 1352.247-72) (MAR 2000)**

The contract number shall be placed on or adjacent to all exterior mailing or shipping labels of deliverable items called for by the contract, except for reports.

### **D.2 IDENTIFYING NOTATION AFFIXED TO CONTRACT DELIVERABLES**

Unless otherwise specified, all documents prepared and submitted by the Contractor to the Government under this contract shall include the following information on the cover page of each document:

- (a) Name and business address of the Contractor
- (b) Contract number
- (c) Name and office location of the Contracting Officer's Technical Representative
- (d) Title of report.
- (e) Date of report.

**SECTION E - INSPECTION AND ACCEPTANCE**

**E.1 CLAUSES INCORPORATED BY REFERENCE (FAR 52.252-2)(FEB 1998)**

This contract incorporates one or more clauses by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available. Also, the full text of a clause may be accessed electronically at this address:

WWW.ARNET.GOV

FEDERAL ACQUISITION REGULATION (48 CFR CHAPTER 1) CLAUSES

<u>CLAUSE NUMBER</u>	<u>DATE</u>	<u>TITLE</u>
52.246-3	MAY 2001	INSPECTION OF SUPPLIES - COST REIMBURSEMENT
52.246-5	APR 1984	INSPECTION OF SERVICES - COST REIMBURSEMENT

**E.2 INSPECTION AND ACCEPTANCE**

CAR Clause Number	Title	Date
1352.246-70	Inspection and Acceptance	March 2000

Final inspection and acceptance of all work performed, reports, and other deliverables will be performed by the Contracting Officer's Technical Representative identified in Section G.2 at the following location:

National Telecommunications and Information Administration  
U.S. Department of Commerce  
1401 Constitution Avenue, N.W.  
Room 4701  
Washington, D.C. 20230

**SECTION F - DELIVERIES OR PERFORMANCE**

**F.1 CLAUSES INCORPORATED BY REFERENCE (FAR 52.252-2)(FEB 1998)**

SA1301-06-CN-0048

This contract incorporates one or more clauses by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available. Also, the full text of a clause may be accessed electronically at this/these address(es):

WWW.ARNET.GOV/FAR

FEDERAL ACQUISITION REGULATION (48 CFR CHAPTER 1) CLAUSES

<u>CLAUSE NUMBER</u>	<u>DATE</u>	<u>TITLE</u>
52.242-15	AUG 1989	STOP WORK ORDER
52.247	APR 1984	F.O.B. DESTINATION, WITHIN CONSIGNEE'S PREMISES

**F.2 PERIOD OF PERFORMANCE**

The period of performance is set forth in Section B.2 of the contract.

**F.3 PLACE OF PERFORMANCE**

All work shall be performed by the Contractor at the Contractor's facility.

**F.4 DISTRIBUTION OF DELIVERABLES**

The Contractor shall submit copies of all deliverables specified below as follows:

COTR	1 Copy
Contracting Officer	1 Copy

**F.5 DELIVERABLES**

The Contractor shall provide the following deliverables in accordance with (IAW) Section C.3 of this contract:

Deliverable	Due Date
1. Performance Progress Reports IAW Section C.3.1	Monthly, no later than 15 calendar days following the end of each month
2. Audit Report IAW Section C.3.2	Annual
3. Final Report IAW Section C.3.3	30 days after expiration of the contract

**F.6 GOVERNMENT RIGHTS TO DELIVERABLES**

All deliverables provided under this task order become the property of the U.S. Government.

**F.7 GOVERNMENT REVIEW OF DELIVERABLES**

The Government shall review deliverables and determine acceptability. Any deficiencies shall be corrected by the Contractor and resubmitted to the Government within seven (7) workdays after notification.

**F.8 REQUIRED DELIVERABLES**

SA1301-06-CN-0048



The Contractor shall transmit all deliverables so that the deliverables are received by the parties listed above on or before the indicated due dates.

## **SECTION G - CONTRACT ADMINISTRATION DATA**

### **G.1 CONTRACTING OFFICER'S AUTHORITY (CAR 1352.201-70) (MAR 2000)**

The Contracting Officer is the only person authorized to make or approve any changes in any of the requirements of this contract and notwithstanding any provisions contained elsewhere in this contract, the said authority remains solely in the Contracting Officer. In the event the Contractor makes any changes at the direction of any person other than the Contracting Officer, the change will be considered to have been made without authority and no adjustment will be made in the contract terms and conditions, including price.

### **G.2 DESIGNATION OF CONTRACTING OFFICER'S TECHNICAL REPRESENTATIVE (CAR 1352.201-71) (MAR 2000)**

(a) Ms. Cathy Handley is hereby designated as the Contracting Officer's Technical Representative (COTR). The COTR may be changed at any time by the Government without prior notice to the Contractor by a unilateral modification to the contract. The COTR is located at:

COTR Address: National Telecommunications and Information Administration  
U.S. Department of Commerce  
1401 Constitution Avenue, N.W.  
Room 4701  
Washington, D.C. 20230  
Phone: (202) 482-1866  
E-mail: [chandley@ntia.doc.gov](mailto:chandley@ntia.doc.gov)

The responsibilities and limitations of the COTR are as follows:

(b) The COTR is responsible for the technical aspects of the project and serves as technical liaison with the Contractor. The COTR is also responsible for the final inspection and acceptance of all reports and such other responsibilities as may be specified in the contract.

(c) The COTR is not authorized to make any commitments or otherwise obligate the Government or authorize any changes, which affect the contract price, terms, or conditions. Any contractor requests for changes shall be referred to the Contracting Officer. No such changes shall be made without the expressed prior authorization of the Contracting Officer.

(d) The COTR is responsible for: receiving all deliverables; inspecting and accepting supplies or services provided hereunder in accordance with the terms and conditions of this contract; providing direction to the contractor, which clarifies the contract effort, fills in details or otherwise serves to accomplish the contractual Scope of Work; evaluating performance; and certifying all invoices/vouchers for acceptance of the supplies or services furnished for payment prior to forwarding to the Contracting Officer.

## **SECTION H - SPECIAL CONTRACT REQUIREMENTS**

### **H.1 PRINTING (CAR 1352.208-70) (MAR 2000)**

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Unless otherwise specified in this contract, the Contractor shall not engage in, or subcontract for, any printing (as that term is defined in Title 1 of the Government Printing and Binding Regulations in effect on the effective date of this contract) in connection with performing under this contract. Provided, however, that performing a requirement under this contract involving the duplicating of less than 5,000 units of only one page, or less than 25,000 units in the aggregate of multiple pages, such pages not exceeding a maximum image size of 10 and 3/4 inches by 14 and 1/4 inches, will not be deemed printing.

## **H.2 ORGANIZATIONAL CONFLICT OF INTEREST (CAR 1352.209-71) (MAR 2000)**

(a) The Contractor warrants that, to the best of the Contractor's knowledge and belief, there are no relevant facts or circumstances which would give rise to an organizational conflict of interest, as defined in FAR Subpart 9.5, or that the Contractor has disclosed all such relevant information.

(b) The Contractor agrees that if an actual or potential organizational conflict of interest is discovered after award, the Contractor will make a full disclosure in writing to the Contracting Officer. This disclosure shall include a description of actions which the Contractor has taken or proposes to take, after consultation with the Contracting Officer, to avoid, mitigate, or neutralize the actual or potential conflict.

(c) Remedies - The Contracting Officer may terminate this contract for convenience, in whole or in part, if it deems such termination necessary to avoid an organizational conflict of interest. If the Contractor was aware of a potential organizational conflict of interest prior to award or discovered an actual or potential conflict after award and did not disclose or misrepresented relevant information to the Contracting Officer, the Government may terminate the contract for default, debar the Contractor for Government contracting, or pursue such other remedies as may be permitted by law or this contract.

(d) The Contractor further agrees to insert provisions which shall conform substantially to the language of this clause, including the paragraph (d), in any subcontract or consultant agreement hereunder.

## **H.3 RESTRICTIONS AGAINST DISCLOSURE (CAR 1352.209-72)(MAR 2000)**

(a) The Contractor agrees, in the performance of this contract, to keep the information furnished by the Government and designated by the Contracting Officer or Contracting Officer's Technical Representative in the strictest confidence. The Contractor also agrees not to publish or otherwise divulge such information in whole or in part, in any manner or form, nor to authorize or permit others to do so, taking such reasonable measures as are necessary to restrict access to such information while in the Contractor's possession, to those employees needing such information to perform the work provided herein, i.e., on a need to know basis. The Contractor agrees to immediately notify the Contracting Officer in writing in the event that the Contractor determines or has reason to suspect a breach of this requirement.

(b) The Contractor agrees that it will not disclose any information described in subsection (a) of this Section to any persons or individual unless prior written approval is obtained from the Contracting Officer. The Contractor agrees to insert the substance of this clause in any consultant agreement or subcontract hereunder.

## **H.4 COMPLIANCE WITH LAWS (CAR 1352.209-73)(MAR 2000)**

The Contractor shall comply with all applicable laws and rules and regulations having the force of law which deal with or relate to performance hereunder or the employment by the Contractor of its employees.

## **H.5 DUPLICATION OF EFFORT (CAR 1352.231-70) (MAR 2000)**

SA1301-06-CN-0048

The Contractor hereby certifies that costs for work to be performed under this contract and any subcontract hereunder are not duplicative of any costs charged against any other Government contract, subcontract, or other Government source. The Contractor agrees to advise the Contracting Officer, in writing, of any other Government contract or subcontract it has performed or is performing which involves work directly related to the purpose of this contract. The Contractor also certifies and agrees that any and all work performed under this contract shall be directly and exclusively for the use and benefit of the Government, and not incidental to any other work, pursuit, research, or purpose of the Contractor, whose responsibility it will be to account for it accordingly.

#### **H.6 HARMLESS FROM LIABILITY (CAR 1352.233-71)(MAR 2000)**

The Contractor shall hold and save the Government, its officers, agents, and employees harmless from liability of any nature or kind, including costs and expenses to which they may be subject, for or on account of any or all suits or damages of any character whatsoever resulting from injuries or damages sustained by any person or persons or property by virtue of performance of this contract, arising or resulting in whole or in part from the fault, negligence, wrongful act or wrongful omission of the Contractor, or any subcontractor, their employees, and agents.

#### **H.7 REGULATORY NOTICE (CAR 1352.252-70)(MAR 2000)**

Contractors are advised that certain provisions and clauses, identified with the Commerce Acquisition Regulation (CAR) notation for identification purposes, have not yet been incorporated into the CAR. However, all of these items are binding for this acquisition and will eventually be contained in the CAR at Part 13 of Title 48 of the Code of Federal Regulations.

#### **H.8 CONTRACTOR IDENTIFICATION RESPONSIBILITIES**

(a) All Contractor personnel attending meetings, answering Government telephones, and working in other situations where their Contractor status is not obvious to third parties, are required to identify themselves as such to avoid creating an impression in the minds of the public that they are Government officials.

(b) All documents or reports produced by the Contractor shall be suitably marked as Contractor products or that Contractor participation is appropriately identified.

#### **H.9 NOTICE REQUIREMENT**

The Contractor agrees that it will immediately inform the Contracting Officer and the Contracting Officer's Technical Representative in the event that the Contractor's Chairman of the Board of Directors initiates any investigation by an independent auditor of potential corporate insolvency.

#### **H.10 CERTIFICATION REGARDING TERRORIST FINANCING IMPLEMENTING EXECUTIVE ORDER 13224**

(a) By signing and submitting this application, the prospective Contractor provides the certification set out below:

- (1) The Contractor, to the best of its current knowledge, did not provide, within the previous ten years, and will take all reasonable steps to ensure that it does not and will not knowingly provide, material support or resources to any individual or entity that commits, attempts to commit, advocates, facilitates or participates in terrorist acts, or has committed, attempted to commit, facilitated or participated in terrorist acts, as that term is defined in Executive Order 13224.

- (2) Before providing any material support or resources to an individual or entity, the Contractor will consider all information about that individual or entity of which it is aware and all public information that is reasonably available to it or of which it should be aware.
- (3) The Contractor also will implement reasonable monitoring and oversight procedures to safeguard against assistance being diverted to support terrorist activity.

(b) For the purposes of this certification, the Contractor's obligations under paragraph "a" are not applicable to the procurement of goods and/or services by the Contractor that are acquired in the ordinary course of business through contract or purchase, *e.g.*, utilities, rents, office supplies, gasoline, unless the Contractor has reason to believe that a vendor or supplier of such goods and services commits, attempts to commit, advocates, facilitates or participates in terrorist acts, or has committed, attempted to commit, facilitated or participated in terrorist acts.

(c) This certification is an express term and condition of any agreement issued as a result of this application, and any violation of it shall be grounds for unilateral termination of the agreement by DoC prior to the end of its term.

**PART II - CONTRACT CLAUSES**  
**SECTION I - CONTRACT CLAUSES**

**I.1 CLAUSES INCORPORATED BY REFERENCE (52.252-2) (JUN 1998)**

This contract incorporates one or more clauses by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available. Also, the full text of a clause may be accessed electronically at this/these address(es):

[HTTP://WWW.ARNET.GOV/FAR](http://www.arnet.gov/far)

<u>CLAUSE NUMBER</u>	<u>DATE</u>	<u>TITLE</u>
52.204-07	OCT 2003	CENTRAL CONTRACTOR REGISTRATION
52.209-06	JAN 2005	PROTECTING THE GOVERNMENT'S INTEREST WHEN SUBCONTRACTING WITH CONTRACTORS DEBARRED, SUSPENDED, OR PROPOSED FOR DEBARMENT
52.215-08	OCT 1997	ORDER OF PRECEDENCE - UNIFORM CONTRACT FORMAT
52.216-07	DEC 2002	ALLOWABLE COST AND PAYMENT [REFERENCE TO Subpart 31.2 is substituted with Subpart 31.7]
52.219-08	MAY 2004	UTILIZATION OF SMALL BUSINESS CONCERNS
52.222-03	JUN 2003	CONVICT LABOR
52.222-21	FEB 1999	PROHIBITION OF SEGREGATED FACILITIES
52.222-26	APR 2002	EQUAL OPPORTUNITY
52.222-35	DEC 2001	EQUAL OPPORTUNITY FOR SPECIAL DISABLED VETERANS, VETERANS OF THE VIETNAM ERA, AND OTHER ELIGIBLE VETERANS
52.222-36	JUN 1998	AFFIRMATIVE ACTION FOR WORKERS WITH DISABILITIES
52.222-37	DEC 2001	EMPLOYMENT REPORTS ON SPECIAL DISABLED VETERANS, VETERANS OF THE VIETNAM ERA, AND OTHER ELIGIBLE VETERANS
52.222-39	APR 2006	COMBATING TRAFFICKING IN PERSONS

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52.223-06	MAY 2001	DRUG-FREE WORKPLACE
52.225-13	DEC 2003	RESTRICTIONS ON CERTAIN FOREIGN PURCHASES
52.227-01	JUL 1995	AUTHORIZATION AND CONSENT
52.227-02	AUG 1996	NOTICE AND ASSISTANCE REGARDING PATENT AND COPYRIGHT INFRINGEMENT
52.227-03	APR 1984	PATENT INDEMNITY
52.227-14	JUN 1987	RIGHTS IN DATA-GENERAL, ALTERNATES I, II, III, IV
52.232-20	APR 1984	LIMITATION OF COST
52.232-23	JAN 1986	ASSIGNMENT OF CLAIMS
52.232-25	OCT 2003	PROMPT PAYMENT
52.232-33	OCT 2003	PAYMENT BY ELECTRONIC FUNDS TRANSFER--CENTRAL CONTRACTOR REGISTRATION
52.233-01	JULY 2002	DISPUTES, ALTERNATE I
52.233-03	AUG 1996	PROTEST AFTER AWARD--ALTERNATE I (JUNE 1985)
52.233-04	OCT 2004	APPLICABLE LAW FOR BREACH OF CONTRACT CLAIM
52.237.03	JAN 1991	CONTINUITY OF SERVICES
52.239-01	AUG 1996	PRIVACY OR SECURITY SAFEGUARDS
52.242-01	APR 1984	NOTICE OF INTENT TO DISALLOW COSTS
52.242-04	JAN 1997	CERTIFICATION OF FINAL INDIRECT COSTS
52.242-13	JUL 1995	BANKRUPTCY
52.243-02	AUG 1987	CHANGES--COST-REIMBURSEMENT, ALTERNATE II (APR 1984)
52.244-02	AUG 1998	SUBCONTRACTS
52.244-06	FEB 2006	SUBCONTRACTS FOR COMMERCIAL ITEMS
52.246-20	MAY 2001	WARRANTY OF SERVICES [The Contracting Officer shall give written notice of any defect or nonconformance to the Contractor within 120 days from the date of acceptance by the Government.]
52.249-05	SEPT 1996	TERMINATION FOR CONVENIENCE OF THE GOVERNMENT (EDUCATIONAL AND OTHER NONPROFIT INSTITUTIONS)
52.249-14	APR 1984	EXCUSABLE DELAYS
52.253-01	JAN 1991	COMPUTER GENERATED FORMS

**I.2 AUDIT AND RECORDS – NEGOTIATION, ALTERNATE II, (FAR 52.215-2)(JUNE 1999)**

(a) As used in this clause, “records” includes books, documents, accounting procedures and practices, and other data, regardless of type and regardless of whether such items are in written form, in the form of computer data, or in any other form.

(b) Examination of costs. If this is a cost-reimbursement, incentive, time-and-materials, labor-hour, or price redeterminable contract, or any combination of these, the Contractor shall maintain and the Contracting Officer, or an authorized representative of the Contracting Officer, shall have the right to examine and audit all records and other evidence sufficient to reflect properly all costs claimed to have been incurred or anticipated to be incurred directly or indirectly in performance of this contract. This right of examination shall include inspection at all reasonable times of the Contractor's plants, or parts of them, engaged in performing the contract.

(c) Cost or pricing data. If the Contractor has been required to submit cost or pricing data in connection with any pricing action relating to this contract, the Contracting Officer, or an authorized representative of the Contracting

Officer, in order to evaluate the accuracy, completeness, and currency of the cost or pricing data, shall have the right to examine and audit all of the Contractor's records, including computations and projections, related to—

- (1) The proposal for the contract, subcontract, or modification;
- (2) The discussions conducted on the proposal(s), including those related to negotiating;
- (3) Pricing of the contract, subcontract, or modification;
- or
- (4) Performance of the contract, subcontract or modification.

(d) Comptroller General—(1) The Comptroller General of the United States, or an authorized representative, shall have access to and the right to examine any of the Contractor's directly pertinent records involving transactions related to this contract or a subcontract hereunder.

(2) This paragraph may not be construed to require the Contractor or subcontractor to create or maintain any record that the Contractor or subcontractor does not maintain in the ordinary course of business or pursuant to a provision of law.

(e) Reports. If the Contractor is required to furnish cost, funding, or performance reports, the Contracting Officer or an authorized representative of the Contracting Officer shall have the right to examine and audit the supporting records and materials, for the purpose of evaluating—

(1) The effectiveness of the Contractor's policies and procedures to produce data compatible with the objectives of these reports; and

(2) The data reported.

(f) Availability. The Contractor shall make available at its office at all reasonable times the records, materials, and other evidence described in paragraphs (a), (b), (c), (d), and (e) of this clause, for examination, audit, or reproduction, until 3 years after final payment under this contract or for any shorter period specified in Subpart 4.7, Contractor Records Retention, of the Federal Acquisition Regulation (FAR), or for any longer period required by statute or by other clauses of this contract. In addition—

(1) If this contract is completely or partially terminated, the Contractor shall make available the records relating to the work terminated until 3 years after any resulting final termination settlement; and

(2) The Contractor shall make available records relating to appeals under the Disputes clause or to litigation or the settlement of claims arising under or relating to this contract until such appeals, litigation, or claims are finally resolved.

(g) The Contractor shall insert a clause containing all the terms of this clause, including this paragraph (g), in all subcontracts under this contract that exceed the simplified acquisition threshold, and—

(1) That are cost-reimbursement, incentive, time-and-materials, labor-hour, or price-redeterminable type or any combination of these;

(2) For which cost or pricing data are required; or

(3) That requires the subcontractor to furnish reports as discussed in paragraph (e) of this clause.

The clause may be altered only as necessary to identify properly the contracting parties and the Contracting Officer under the Government prime contract.

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(h) The provisions of OMB Circular No. A-133, "Audits of States, Local Governments, and Nonprofit Organizations," apply to this contract.

**I.3 COST CONTRACT – NO FEE, ALTERNATE IV (FAR 52.216-11)(APR 1984)**

(a) The Government shall not pay the Contractor a fee for performing this contract.

**I.4 OPTION TO EXTEND SERVICES (FAR 52.217-8) (NOV 1999)**

The Government may require continued performance of any services within the limits and at the rates specified in the contract. These rates may be adjusted only as a result of revisions to prevailing labor rates provided by the Secretary of Labor. The option provision may be exercised more than once, but the total extension of performance hereunder shall not exceed 6 months. The Contracting Officer may exercise the option by written notice to the Contractor within 30 days.

**I.5 OPTION TO EXTEND THE TERM OF THE CONTRACT (FAR 52.217-09) (MAR 2000)**

(a) The Government may extend the term of this contract by written notice to the Contractor within 30 days prior to the expiration of the current performance period; provided, that the Government gives the Contractor a preliminary written notice of its intent to extend at least 60 days before the contract expires. The preliminary notice does not commit the Government to an extension.

(b) If the Government exercises this option, the extended contract shall be considered to include this option clause.

(c) The total duration of this contract, including the exercise of any options under this clause, shall not exceed sixty-six (66) months.

**I.6 PATENT RIGHTS – RETENTION BY THE CONTRACTOR (SHORT FORM) (FAR 52.227-11)(JUN 1997)**

(a) Definitions. (1) "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 which is or may be protected under the Plant Variety Protection Act (7 U.S.C. 2321, et seq.)

(2) "Made" when used in relation to any invention means the conception or first actual reduction to practice of such invention.

(3) "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)) and exempt from taxation under section 501(a) of the Internal Revenue Code (26 U.S.C. 501(a)) or any nonprofit scientific or educational organization qualified under a state nonprofit organization statute.

(4) "Practical application" means to manufacture, in the case of a composition of 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 is being utilized and that its benefits are, to the extent permitted by law or Government regulations, available to the public on reasonable terms.

(5) "Small business firm" means a small business concern as defined at section 2 of Pub. L. 85-536 (15 U.S.C. 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 CFR 121.3-8 and 13 CFR 121.3-12, respectively, will be used.

(6) "Subject invention" means any invention of the contractor conceived or first actually reduced to practice in the performance of work under this contract, 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)) must also occur during the period of contract performance.

(b) Allocation of principal rights. The Contractor may retain the entire right, title, and interest throughout the world to each subject invention subject to the provisions of this clause and 35 U.S.C. 203. With respect to any subject invention in which the Contractor 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 throughout the world.

(c) Invention disclosure, election of title, and filing of patent application by Contractor. (1) The Contractor will disclose each subject invention to the Federal agency within 2 months after the inventor discloses it in writing to Contractor personnel responsible for patent matters. The disclosure to the agency shall be in the form of a written report and shall identify the contract under which the invention was made 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. The disclosure shall also identify any publication, on sale or public use of the invention and whether a manuscript describing the invention 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 Contractor will promptly notify the agency of the acceptance of any manuscript describing the invention for publication or of any on sale or public use planned by the Contractor.

(2) The Contractor will elect in writing whether or not to retain title to any such invention by notifying the Federal agency within 2 years of disclosure to the Federal agency. However, in any case where publication, on sale or public use has initiated the 1-year statutory period 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.

(3) The Contractor will file its initial patent application on a subject invention to which it elects to retain title within 1 year after election of title or, if earlier, prior to the end of any statutory period wherein valid patent protection can be obtained in the United States after a publication, on sale, or public use. The Contractor will file patent applications in additional countries or international patent offices within either 10 months of the corresponding initial patent application or 6 months from the date permission is granted by the Commissioner of Patents and Trademarks to file foreign patent applications where such filing has been prohibited by a Secrecy Order.

(4) Requests for extension of the time for disclosure election, and filing under paragraphs (c)(1), (2), and (3) of this clause may, at the discretion of the agency, be granted.

(d) Conditions when the Government may obtain title. The Contractor will convey to the Federal agency, upon written request, title to any subject invention—

(1) If the Contractor fails to disclose or elect title to the subject invention within the times specified in paragraph (c) of this clause, or elects not to retain title; provided, that the agency may only request title within 60 days after learning of the failure of the Contractor to disclose or elect within the specified times.



(2) In those countries in which the Contractor fails to file patent applications within the times specified in paragraph (c) of this clause; provided, however, that if the Contractor has filed a patent application 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 Contractor shall continue to retain title in that country.

(3) In any country in which the Contractor decides not to continue the prosecution of any application for, to pay the maintenance fees on, or defend in reexamination or opposition proceeding on, a patent on a subject invention.

(e) Minimum rights to Contractor and protection of the Contractor right to file. (1) The Contractor will retain a nonexclusive royalty-free license throughout the world in each subject invention to which the Government obtains title, except if the Contractor fails to disclose the invention within the times specified in paragraph (c) of this clause. The Contractor's license extends to its domestic subsidiary and affiliates, if any, within the corporate structure of which the Contractor is a party and includes the right to grant sublicenses of the same scope to the extent the Contractor was legally obligated to do so at the time the contract was awarded. The license is transferable only with the approval of the Federal agency, except when transferred to the successor of that part of the Contractor's business to which the invention pertains.

(2) The Contractor's domestic license may be revoked or modified by the funding Federal agency to the extent necessary to achieve expeditious practical application of subject invention pursuant to an application for an exclusive license submitted in accordance with applicable provisions at 37 CFR 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 Contractor has achieved practical application and continues to make the benefits of the invention 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 Contractor, its licensees, or the domestic subsidiaries or affiliates have failed to achieve practical application in that foreign country.

(3) Before revocation or modification of the license, the funding Federal agency will furnish the Contractor a written notice of its intention to revoke or modify the license, and the Contractor will be allowed 30 days (or such other time as may be authorized by the funding Federal agency for good cause shown by the Contractor) after the notice to show cause why the license should not be revoked or modified. The Contractor has the right to appeal, in accordance with applicable regulations in 37 CFR 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) Contractor action to protect the Government's interest. (1) The Contractor 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 to which the Contractor elects to retain title; and  
(ii) Convey title to the Federal agency when requested under paragraph (d) of this clause and to enable the Government to obtain patent protection throughout the world in that subject invention.

(2) The Contractor 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 Contractor each subject invention made under contract in order that the Contractor can comply with the disclosure provisions of paragraph (c) of this clause, and to execute all papers necessary to file patent applications on subject inventions and to establish the Government's rights in the subject inventions. This disclosure format should require, as a

minimum, the information required by paragraph (c)(1) of this clause. The Contractor shall instruct such employees, through employee agreements or other suitable educational programs, on the importance of reporting inventions in sufficient time to permit the filing of patent applications prior to U.S. or foreign statutory bars.

(3) The Contractor will notify the Federal agency of any decisions not to continue the prosecution of a patent application, pay maintenance fees, or defend in a reexamination or opposition proceeding on a patent, in any country, not less than 30 days before the expiration of the response period required by the relevant patent office.

(4) The Contractor agrees to include, within the specification of any United States patent application and any patent issuing thereon covering a subject invention, the following statement, "This invention was made with Government support under (identify the contract) awarded by (identify the Federal agency). The Government has certain rights in the invention."

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

(2) The Contractor will include in all other subcontracts, regardless of tier, for experimental, developmental, or research work the patent rights clause required by Subpart 27.3.

(3) In the case of subcontracts, at any tier, the agency, subcontractor, and the Contractor agree that the mutual obligations of the parties created by this clause constitute a contract between the subcontractor and the Federal agency with respect to the matters covered by the clause; provided, however, that nothing in this paragraph is intended to confer any jurisdiction under the Contract Disputes Act in connection with proceedings under paragraph (j) of this clause.

(h) Reporting on utilization of subject inventions. The Contractor agrees to submit, on request, periodic reports no more frequently than annually on the utilization of a subject invention or on efforts at obtaining such utilization that are being made by the Contractor 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 Contractor, and such other data and information as the agency may reasonably specify. The Contractor 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), the agency agrees it will not disclose such information to persons outside the Government without permission of the Contractor.

(i) Preference for United States industry. Notwithstanding any other provision of this clause, the Contractor 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 product 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 the Federal agency upon a showing by the Contractor 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.

(j) March-in rights. The Contractor agrees that, with respect to any subject invention in which it has acquired title, the Federal agency has the right in accordance with the procedures in 37 CFR 401.6 and any supplemental

regulations of the agency to require the Contractor, an assignee or exclusive licensee of a subject invention 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 Contractor, 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 Contractor or assignee has not taken, or is not expected to take within a reasonable time, effective steps to achieve practical application of the subject invention in such field of use;
- (2) Such action is necessary to alleviate health or safety needs which are not reasonably satisfied by the Contractor, 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 Contractor, 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 in the United States is in breach of such agreement.

(k) Special provisions for contracts with nonprofit organizations. If the Contractor is a nonprofit organization, it agrees that—

- (1) Rights to a subject invention in the United States may not be assigned without the approval of the Federal agency, except where such assignment is made 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 Contractor;
- (2) The Contractor will share royalties collected on a subject invention with the inventor, including Federal employee co-inventors (when the agency deems it appropriate) when the subject invention is assigned in accordance with 35 U.S.C. 202(e) and 37 CFR 401.10;
- (3) The balance of any royalties or income earned by the Contractor 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 that are small business firms, and that it will give a preference to a small business firm when licensing a subject invention if the Contractor determines that the small business firm has a plan or proposal for marketing the invention which, if executed, is equally as likely to bring the invention to practical application as any plans or proposals from applicants that are not small business firms; provided, that the Contractor is also satisfied that the small business firm 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 contractor. However, the Contractor agrees that the Secretary of Commerce may review the Contractor's licensing program and decisions regarding small business applicants, and the Contractor will negotiate changes to its licensing policies, procedures, or practices with the Secretary of Commerce when the Secretary's review discloses that the Contractor could take reasonable steps to more effectively implement the requirements of this paragraph (k)(4).

(l) Communications. [Complete according to agency instructions.] The Government reserves the right to establish procedures regarding communications after contract award. Such procedures shall be subject to the mutual agreement of the parties.

**I.7 RIGHTS IN DATA – RETENTION BY THE CONTRACTOR (LONG FORM) (FAR 52.227-12)(JAN 1997)**

(a) Definitions. “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.).

“Made” when used in relation to any invention means the conception or first actual reduction to practice of such invention.

“Nonprofit organization” means a domestic 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)) and exempt from taxation under section 501(a) of the Internal Revenue Code (26 U.S.C. 501(a)) or any nonprofit scientific or educational organization qualified under a state nonprofit organization statute.

“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 is being utilized and that its benefits are, to the extent permitted by law or Government regulations, available to the public on reasonable terms.

“Small business firm” means a small business concern as defined at section 2 of Pub. L. 85-536 (15 U.S.C. 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 CFR 121.3-8 and 13 CFR 121.3-12, respectively, will be used.

“Subject invention” means any invention of the Contractor conceived or first actually reduced to practice in the performance of work under this contract; 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)) must also occur during the period of contract performance.

(b) Allocation of principal rights. The Contractor may elect to retain the entire right, title, and interest throughout the world to each subject invention subject to the provisions of this clause and 35 U.S.C. 203. With respect to any subject invention in which the Contractor elects to retain 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 throughout the world.

(c) Invention disclosure, election of title, and filing of patent applications by Contractor.

(1) The Contractor shall disclose each subject invention to the Contracting Officer within 2 months after the inventor discloses it in writing to Contractor personnel responsible for patent matters or within 6 months after the Contractor becomes aware that a subject invention has been made, whichever is earlier. The disclosure to the Contracting Officer shall be in the form of a written report and shall identify the contract under which the invention was made 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 physical, chemical, biological, or electrical characteristics of the invention. The disclosure shall also identify any publication, on sale, or public use of the invention and whether a manuscript describing the invention 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 Contracting Officer, the Contractor shall promptly notify the Contracting Officer of the acceptance of any manuscript describing the invention for publication or of any on sale or public use planned by the Contractor.

(2) The Contractor shall elect in writing whether or not to retain title to any such invention by notifying the Federal agency at the time of disclosure or within 8 months of disclosure, as to those countries (including the United States) in which the Contractor will retain title; provided, that in any case where publication, on sale, or public use has initiated the 1-year statutory period wherein valid patent protection can still be obtained in the United States, the period of 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.

(3) The Contractor shall file its initial patent application on an elected invention within 1 year after election or, if earlier, prior to the end of any statutory period wherein valid patent protection can be obtained in the United States after a publication, on sale, or public use. The Contractor shall file patent applications in additional countries (including the European Patent Office and under the Patent Cooperation Treaty) within either 10 months of the corresponding initial patent application or 6 months from the date permission is granted by the Commissioner of Patents and Trademarks to file foreign patent applications where such filing has been prohibited by a Secrecy Order.

(4) Requests for extension of the time for disclosure to the Contracting Officer, election, and filing may, at the discretion of the funding Federal agency, be granted, and will normally be granted unless the Contracting Officer has reason to believe that a particular extension would prejudice the Government's interest.

(d) Conditions when the Government may obtain title. The Contractor shall convey to the Federal agency, upon written request, title to any subject invention—

(1) If the Contractor elects not to retain title to a subject invention;

(2) If the Contractor fails to disclose or elect the subject invention within the times specified in paragraph (c) of this clause (the agency may only request title within 60 days after learning of the Contractor's failure to report or elect within the specified times);

(3) In those countries in which the Contractor fails to file patent applications within the time specified in paragraph (c) of this clause; provided, however, that if the Contractor has filed a patent application 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 Contractor shall continue to retain title in that country; or

(4) In any country in which the Contractor decides not to continue the prosecution of any application for, to pay the maintenance fees on, or defend in reexamination or opposition proceeding on, a patent on a subject invention.

(e) Minimum rights to Contractor.

(1) The Contractor shall retain a nonexclusive, royalty-free license throughout the world in each subject invention to which the Government obtains title except if the Contractor fails to disclose the subject invention within the times specified in paragraph (c) of this clause. The Contractor's license extends to its domestic subsidiaries and affiliates, if any, within the corporate structure of which the Contractor is a part and includes the right to grant sublicenses of the same scope to the extent the Contractor was legally obligated to do so at the time the contract was awarded. The license is transferable only with the approval of the funding Federal agency

except when transferred to the successor of that part of the Contractor's business to which the invention pertains.

(2) The Contractor's domestic license may be revoked or modified by the funding Federal agency to the extent necessary to achieve expeditious practical application of the subject invention pursuant to an application for an exclusive license submitted in accordance with applicable provisions in the Federal Property Management Regulations and agency licensing regulations (if any). This license shall not be revoked in that field of use or the geographical areas in which the Contractor has achieved practical application and continues to make the benefits of the invention 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 Contractor, its licensees, or its domestic subsidiaries or affiliates have failed to achieve practical application in that foreign country.

(3) Before revocation or modification of the license, the funding Federal agency shall furnish the Contractor a written notice of its intention to revoke or modify the license, and the Contractor shall be allowed 30 days (or such other time as may be authorized by the funding Federal agency for good cause shown by the Contractor) after the notice to show cause why the license should not be revoked or modified. The Contractor has the right to appeal, in accordance with applicable agency licensing regulations and 37 CFR 404 concerning the licensing of Government-owned inventions, any decision concerning the revocation or modification of its license.

(f) Contractor action to protect the Government's interest.

(1) The Contractor 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 to which the Contractor elects to retain title; and

(ii) Convey title to the Federal agency when requested under paragraph (d) of this clause and paragraph (n)(2) of this clause, and to enable the Government to obtain patent protection throughout the world in that subject invention.

(2) The Contractor 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 Contractor each subject invention made under contract in order that the Contractor can comply with the disclosure provisions of paragraph (c) of this clause, and to execute all papers necessary to file patent applications on subject inventions and to establish the Government's rights in the subject inventions. This disclosure format should require, as a minimum, the information required by paragraph (c)(1) of this clause. The Contractor shall instruct such employees through employee agreements or other suitable educational programs on the importance of reporting inventions in sufficient time to permit the filing of patent applications prior to U.S. or foreign statutory bars.

(3) The Contractor shall notify the Federal agency of any decision not to continue the prosecution of a patent application, pay maintenance fees, or defend in a reexamination or opposition proceeding on a patent, in any country, not less than 30 days before the expiration of the response period required by the relevant patent office.

(4) The Contractor agrees to include, within the specification of any United States patent application and any patent issuing thereon covering a subject invention, the following statement: "This invention was made with Government support under (identify the contract) awarded by (identify the Federal agency). The Government has certain rights in this invention."

(5) The Contractor shall establish and maintain active and effective procedures to assure that subject inventions are promptly identified and disclosed to Contractor personnel responsible for patent matters within 6 months of

conception and/or first actual reduction to practice, whichever occurs first in performance of work under this contract. These procedures shall include the maintenance of laboratory notebooks or equivalent records and other records as are reasonably necessary to document the conception and/or the first actual reduction to practice of subject inventions, and records that show that the procedures for identifying and disclosing the inventions are followed. Upon request, the Contractor shall furnish the Contracting Officer a description of such procedures for evaluation and for determination as to their effectiveness.

(6) The Contractor agrees, when licensing a subject invention, to arrange to avoid royalty charges on acquisitions involving Government funds, including funds derived through Military Assistance Program of the Government or otherwise derived through the Government, to refund any amounts received as royalty charges on the subject invention in acquisitions for, or on behalf of, the Government, and to provide for such refund in any instrument transferring rights in the invention to any party.

(7) The Contractor shall furnish the Contracting Officer the following:

(i) Interim reports every 12 months (or such longer period as may be specified by the Contracting Officer) from the date of the contract, listing subject inventions during that period and stating that all subject inventions have been disclosed or that there are no such inventions.

(ii) A final report, within 3 months after completion of the contracted work, listing all subject inventions or stating that there were no such inventions, and listing all subcontracts at any tier containing a patent rights clause or stating that there were no such subcontracts.

(8) The Contractor shall promptly notify the Contracting Officer in writing upon the award of any subcontract at any tier containing a patent rights clause by identifying the subcontractor, the applicable patent rights clause, the work to be performed under the subcontract, and the dates of award and estimated completion. Upon request of the Contracting Officer, the Contractor shall furnish a copy of such subcontract, and no more frequently than annually, a listing of the subcontracts that have been awarded.

(9) In the event of a refusal by a prospective subcontractor to accept one of the clauses in paragraph (g)(1) or (2) of this clause, the Contractor—

(i) Shall promptly submit a written notice to the Contracting Officer setting forth the subcontractor's reasons for such refusal and other pertinent information that may expedite disposition of the matter; and

(ii) Shall not proceed with such subcontracting without the written authorization of the Contracting Officer.

(10) The Contractor shall provide, upon request, the filing date, serial number and title, a copy of the patent application (including an English-language version if filed in a language other than English), and patent number and issue date for any subject invention for which the Contractor has retained title.

(11) Upon request, the Contractor shall furnish the Government an irrevocable power to inspect and make copies of the patent application file.

(g) Subcontracts.

(1) The Contractor shall include the clause at 52.227-11 of the Federal Acquisition Regulation (FAR), suitably modified to identify the parties, in all subcontracts, regardless of tier, for experimental, developmental, or research work to be performed by a small business firm or nonprofit organization. The subcontractor shall retain all rights provided for the Contractor in this clause, and the Contractor shall not, as part of the consideration for awarding the subcontract, obtain rights in the subcontractor's subject inventions.

(2) The Contractor shall include this clause (FAR 52.227-12) in all other subcontracts, regardless of tier, for experimental, developmental, or research work.

(3) In the case of subcontracts, at any tier, when the prime award with the Federal agency was a contract (but not a grant or cooperative agreement), the agency, subcontractor, and the Contractor agree that the mutual obligations of the parties created by this clause constitute a contract between the subcontractor and the Federal agency with respect to those matters covered by this clause.

(h) Reporting utilization of subject inventions. The Contractor agrees to submit on request periodic reports no more frequently than annually on the utilization of a subject invention or on efforts at obtaining such utilization that are being made by the Contractor 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 Contractor, and such other data and information as the agency may reasonably specify. The Contractor also agrees to provide additional reports as may be requested by the agency in connection with any march-in proceedings undertaken by the agency in accordance with paragraph (j) of this clause. To the extent data or information supplied under this paragraph is considered by the Contractor, its licensee or assignee to be privileged and confidential and is so marked, the agency agrees that, to the extent permitted by law, it shall not disclose such information to persons outside the Government.

(i) Preference for United States industry. Notwithstanding any other provision of this clause, the Contractor 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 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 Contractor 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.

(j) March-in rights. The Contractor agrees that with respect to any subject invention in which it has acquired title, the Federal agency has the right in accordance with the procedures in FAR 27.304-1(g) to require the Contractor, an assignee, or exclusive licensee of a subject invention 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 Contractor, 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 Contractor or assignee has not taken, or is not expected to take within a reasonable time, effective steps to achieve practical application of the subject invention in such field of use;

(2) Such action is necessary to alleviate health or safety needs which are not reasonably satisfied by the Contractor, 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 Contractor, 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 in the United States is in breach of such agreement.

**(k) Special provisions for contracts with nonprofit organizations. [Reserved]**

(l) Communications. [Complete according to agency instructions.]



(m) Other inventions. Nothing contained in this clause shall be deemed to grant to the Government any rights with respect to any invention other than a subject invention.

(n) Examination of records relating to inventions.

(1) The Contracting Officer or any authorized representative shall, until 3 years after final payment under this contract, have the right to examine any books (including laboratory notebooks), records, and documents of the Contractor relating to the conception or first reduction to practice of inventions in the same field of technology as the work under this contract to determine whether—

(i) Any such inventions are subject inventions;

(ii) The Contractor has established and maintains the procedures required by paragraphs (f)(2) and (f)(3) of this clause; and

(iii) The Contractor and its inventors have complied with the procedures.

(2) If the Contracting Officer determines that an inventor has not disclosed a subject invention to the Contractor in accordance with the procedures required by paragraph (f)(5) of this clause, the Contracting Officer may, within 60 days after the determination, request title in accordance with paragraphs (d)(2) and (d)(3) of this clause. However, if the Contractor establishes that the failure to disclose did not result from the Contractor's fault or negligence, the Contracting Officer shall not request title.

(3) If the Contracting Officer learns of an unreported Contractor invention which the Contracting Officer believes may be a subject invention, the Contractor may be required to disclose the invention to the agency for a determination of ownership rights.

(4) Any examination of records under this paragraph shall be subject to appropriate conditions to protect the confidentiality of the information involved.

(o) Withholding of payment (this paragraph does not apply to subcontracts).

(1) Any time before final payment under this contract, the Contracting Officer may, in the Government's interest, withhold payment until a reserve not exceeding \$50,000 or 5 percent of the amount of the contract, whichever is less, shall have been set aside if, in the Contracting Officer's opinion, the Contractor fails to—

(i) Establish, maintain, and follow effective procedures for identifying and disclosing subject inventions pursuant to paragraph (f)(5) of this clause;

(ii) Disclose any subject invention pursuant to paragraph (c)(1) of this clause;

(iii) Deliver acceptable interim reports pursuant to subdivision (f)(7)(i) of this clause; or

(iv) Provide the information regarding subcontracts pursuant to paragraph (f)(8) of this clause.

(2) Such reserve or balance shall be withheld until the Contracting Officer has determined that the Contractor has rectified whatever deficiencies exist and has delivered all reports, disclosures, and other information required by this clause.

(3) Final payment under this contract shall not be made before the Contractor delivers to the Contracting Officer all disclosures of subject inventions required by paragraph (c)(1) of this clause, an acceptable final report pursuant to subdivision (f)(7)(ii) of this clause, and all past due confirmatory instruments.

(4) The Contracting Officer may decrease or increase the sums withheld up to the maximum authorized above. No amount shall be withheld under this paragraph while the amount specified by this paragraph is being

withheld under other provisions of the contract. The withholding of any amount or the subsequent payment thereof shall not be construed as a waiver of any Government right.

**I.8 RIGHTS IN DATA – EXISTING WORKS (FAR 52.227-18)(JUN 1087)**

(a) Except as otherwise provided in this contract, the Contractor grants to the Government, and others acting on its behalf, a paid-up nonexclusive, irrevocable, worldwide license to reproduce, prepare derivative works, and perform publicly and display publicly, by or on behalf of the Government, for all the material or subject matter called for under this contract, or for which this clause is specifically made applicable.

(b) The Contractor shall indemnify the Government and its officers, agents, and employees acting for the Government against any liability, including costs and expenses, incurred as the result of (1) the violation of trade secrets, copyrights, or right of privacy or publicity, arising out of the creation, delivery, publication or use of any data furnished under this contract; or (2) any libelous or other unlawful matter contained in such data. The provisions of this paragraph do not apply unless the Government provides notice to the Contractor as soon as practicable of any claim or suit, affords the Contractor an opportunity under applicable laws, rules, or regulations to participate in the defense thereof, and obtains the Contractor’s consent to the settlement of any suit or claim other than as required by final decree of a court of competent jurisdiction; and do not apply to material furnished to the Contractor by the Government and incorporated in data to which this clause applies.

PART III - LIST OF DOCUMENTS, EXHIBITS, AND OTHER ATTACHMENTS

SECTION J - LIST OF ATTACHMENTS

**J.1 ATTACHMENTS**

The following documents are attached to this solicitation:

<u>ATTACHMENT</u>	<u>Description</u>	<u>PAGE</u>
Appendix A	Processing Metrics	
Appendix B	Monthly Performance Progress Report Tables	

## APPENDIX A - PROCESSING METRICS

### PROCESS FOR IANA ROOT MANAGEMENT REQUESTS

#### *Specific Steps to Process a Change Request*

***Request received by the Contractor*** -- The Contractor receives request to make changes to the root-zone and/or the authoritative WHOIS database. The *date of receipt* is the date upon which the Contractor receives a request, on a business day, during the hours of 9:00 am and 5:00 pm Pacific Time.

***Confirmation of Receipt*** -- Within three (3) business days of the date of receipt, the Contractor shall send confirmation of receipt of the request and a transaction number to the Requester.

***Contractor reviews request*** -- The submission is reviewed to determine the details of the changes requested. During this process, Contractor determines whether the request contains all of the information necessary to commence processing (complete request), or the request requires additional information or clarification from the Requester (incomplete request). If a request is complete, the Contractor shall commence *Request Processing*.

***Notice of deficiency***-- In the event that the request is deemed *incomplete*, the Contractor shall, within seven (7) calendar days of the date of receipt, provide to the Requester a notice of deficiency. This notice shall offer a detailed description of the deficiency(ies) in the request.

***Deficiency cure***-- A Requester must promptly cure any deficiency in a request. If a Requester fails to cure any deficiency in its request within fourteen (14) calendar days of the notice of deficiency, then the Contractor will deem the request closed. Multiple communications between the Requester and the Contractor may be necessary to ensure that deficiencies are clearly understood by all parties. Once the Contractor has determined that the Requester has cured the deficiency(ies), the Contractor shall deem the request complete and shall commence request processing.

***Request Processing*** -- Within seven (7) calendar days of a request being deemed complete, Contractor shall send to Requester a notice of confirmation of requested changes. Requester shall provide confirmation of the requested changes within seven (7) calendar days of receipt of such notice from Contractor. If Contractor does not receive confirmation within seven (7) calendar days, Contractor shall send a second and final notice to Requester giving Requester an additional seven (7) calendar days to provide the required confirmation. If Requester fails to provide such confirmation after the second and final notice, then such request shall be deemed incomplete and shall be closed. Contractor shall deliver notification of the request closure to Requester within one (1) business day of closing the request. Contractor shall provide Requester with a grace period during which time if the Requester provides confirmation to Contractor within thirty (30) days of a request closure, the request shall be re-opened and processed as a completed and confirmed request. Within thirty (30) calendar days of the date that the request was deemed completed and confirmed, Contractor shall complete all processing and issue a report with a recommendation to the U.S. Department of Commerce regarding whether the proposed changes should be authorized.

**APPENDIX B MONTHLY PERFORMANCE PROGRESS REPORT TABLES**

<b>OVERVIEW OF ROOT MANAGEMENT REQUESTS</b>	
TOTAL ROOT MANAGEMENT REQUESTS AT IANA	
Requests Pending at Beginning of Month	
Requests Received during this Month	
Total Requests Completed or Administratively Closed This Month	
Requests Completed from Prior Months	
Requests Completed from this Month	
Requests Administratively Closed	
Requests Pending at Close of this Month	

<b>TYPES OF ROOT MANAGEMENT REQUESTS</b>	
Nameserver Changes	
Administrative Contact Changes	
Technical Contact Changes	
Data Changes ( <i>e.g.</i> , address, phone/fax number, URL for registration services)	
Requests for Redelelegation	
Root Server Changes	
<b>TOTAL</b>	

**Note:** The total number of changes takes into account that one request may contain multiple changes. During this month, IANA received [insert number] requests with multiple changes.

**ROOT MANAGEMENT REQUESTS PENDING MORE THAN 30 DAYS**

TLD	Request Number	Type of Request	Request Submitted Date	Last Contractor/Requestor Activity Date	Detailed Status and Activity towards Resolution

NAMESERVER, ADMINISTRATIVE AND TECHNICAL CONTACT, AND DATA CHANGES														
TLD	Request Number	Type of Change	Date of Receipt of Request	Date of Receipt Confirmation	Initial Review and Results	Date of Notice of Deficiency	Requestor Cure Date	Date of Requestor Confirmation	Request Closed Date	Date of Conclusion of Processing	Transmittal Date to DOC	Change in Database	Status of Request	Number of Days to Complete Request

**LEGEND FOR TYPE OF CHANGE ENTRIES:** 1 - Nameserver Change; 2 - Administrative Contact Change; 3 - Technical Contact; 4 - Data Change; 5 - Redlegation

**INSTRUCTIONS FOR COMPLETING DETAILED STATUS ENTRIES:** Provide a detailed narrative of the current activity for each open change request and Contractor's proposed steps to process the subject request within the prescribed 30-day limit. These entries should also indicate possible complications that might arise in connection with processing that request, as well as Contractor's methods for addressing these issues.

**IPv4 UNICAST ADDRESS BLOCKS ALLOCATIONS**

Request Submitted	Request Completed	Duration	Registry	/8s Provided

**IPv4 MULTICAST ASSIGNMENTS**

Request Submitted	Request Completed	Duration	Registry

**IPv6 UNICAST ADDRESS BLOCKS ALLOCATIONS**

Request Submitted	Request Completed	Duration	Registry	Request

**IPv6 MULTICAST ASSIGNMENTS**

Request Submitted	Request Completed	Duration	Addresses

**AUTONOMOUS SYSTEM (AS) NUMBER ASSIGNMENTS**

Request Submitted	Request Completed	Duration	Registry	Blocks