

<b>AWARD/CONTRACT</b>		1. THIS CONTRACT IS A RATED ORDER UNDER DPAS (15 CFR 350)		Rating		Page 1 of 36	
2. CONTRACT (Proc. inst. ident.) NO. DOC50PAPT0501031		3. EFFECTIVE DATE 10/01/2005		4. REQUISITION/PURCHASE REQUEST PROJECT NO. 150P0500206			
5. ISSUED BY Office of Procurement US Patent and Trademark Office PO Box 1450-Mail Stop 6 600 Dulany St.,MDE, 7th Floor ALEXANDRIA, VA 22313-1450		6. ADMINISTERED BY (If other than Item 5)		CODE			
7. NAME AND ADDRESS OF CONTRACTOR (No., street, city, county, State and ZIP Code)  LONDON IP INC 1700 DIAGONAL RD SUITE 450 ALEXANDRIA, VA 22314-2849				8. DELIVERY <input type="checkbox"/> FOB Origin <input checked="" type="checkbox"/> Other (See below)			
				9. DISCOUNT FOR PROMPT PAYMENT 10 days % 20 days % 30 days % days %			
				10. SUBMIT INVOICES (4 Copies unless other - - wise specified) To THE ADDRESS SHOWN IN:		ITEM 12	
CODE *		FACILITY CODE 000PA					
11. SHIP TO/MARK FOR  No Shipping Information		CODE		12. PAYMENT WILL BE MADE BY  U.S. Patent and Trademark Office - Office of Finance Mail Stop 17 P. O. Box 1450 Alexandria, VA 22313-1450		CODE 34	
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 2005 - - A - 150997 - - 2510 - - C25201 - 150997 - - - - NONCOMP - - - -			
15A. ITEM NO.	15B. SUPPLIES/SERVICES		15C. QUANTITY	15D. UNIT	15E. UNIT PRICE	15F. AMOUNT	
	SEE LINE ITEM DETAIL						
15G. TOTAL AMOUNT OF CONTRACT						248,668.00	
16. TABLE OF CONTENTS							
( )	SEC	DESCRIPTION	PAGE(S)	( )	SEC	DESCRIPTION	PAGE(S)
PART I - THE SCHEDULE				PART II - CONTRACT CLAUSES			
X	A	SOLICITATION CONTRACT FORM		X	I	CONTRACT CLAUSES	
X	B	SUPPLIES OR SERVICES AND PRICES/COSTS		PART III - LIST OF DOCUMENTS, EXHIBITS AND OTHER ATTACH.			
X	C	DESCRIPTION/SPECS/WORK STATEMENT		X	J	LIST OF ATTACHMENTS	
X	D	PACKAGING AND MARKING		PART IV - REPRESENTATIONS AND INSTRUCTIONS			
X	E	INSPECTION AND ACCEPTANCE			K	REPRESENTATIONS, CERTIFICATIONS, AND OTHER STATEMENTS OF OFFERORS	
X	F	DELIVERIES AND PERFORMANCE			L	INSTRS., CONDS., AND NOTICES TO OFFERORS	
X	G	CONTRACT ADMINISTRATION DATA			M	EVALUATION FACTORS FOR AWARD	
X	H	SPECIAL CONTRACT REQUIREMENTS					
<b>CONTRACTING OFFICER WILL COMPLETE ITEM 17 OR 18 AS APPLICABLE</b>							
17. <input checked="" type="checkbox"/> CONTRACTOR'S NEGOTIATED AGREEMENT (Contractor is required to sign this document and return <u>3</u> 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 obligations 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 attached or incorporated by reference herein.  (Attachments 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 in full 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.			
19A. NAME AND TITLE OF SIGNER (Type or print) <u>Amy Hunt President</u>				20A. NAME OF CONTRACTING OFFICER <u>Jason E. Taylor</u>			
19B. NAME OF CONTRACTOR By <u>Amy Hunt</u> (Signature of person authorized to sign)		19C. DATE SIGNED <u>9/9/05</u>		20B. UNITED STATES OF AMERICA By <u>Jason E. Taylor</u> (Signature of Contracting Officer)		20C. DATE SIGNED <u>9/9/05</u>	

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

### B.1 PILOT PROGRAM

This acquisition represents a "pilot program" in accordance with Division B, Section 801 of P.L. 108-447, the Consolidated Appropriations Act for 2005. The purpose of this pilot program is to demonstrate whether or not searches by commercial entities of the available prior art relating to the subject matter of inventions claimed in Patent Cooperation Treaty (PCT) patent applications are accurate and meet or exceed the standards of searches conducted by and used by the U.S. Patent and Trademark Office during the patent examination process.

### B.2 CONTRACT TYPE

This is an Indefinite Delivery Indefinite Quantity (IDIQ) contract. The Government's minimum, maximum and estimated quantities are provided. Due to the nature of Sub-line items 0002A, 0003A, and 0005A, the Government cannot provide minimum and maximum quantities, but has provided its best estimate.

### B.3 BASE PERIOD (October 1, 2005 through March 31, 2006)

CLIN	DESCRIPTION	Min.	Max	Est.	Unit	Unit Price	Extended Price (Uses Est. Quantities)
0002	Life Sciences: Surgery and Medical Devices: Medical instruments, Diagnostic Equipment, Treatment Devices, Surgery, Surgical Supplies, Dentistry, Animal Husbandry, Plant Husbandry, Prosthetics	25	1291	646	<u>EA</u>	<u>\$589.13</u>	<u>\$380,577.98</u>
0002A	Additional charge if lack of unity exists and the applicant agrees to pay for search of additional inventions	N/A	N/A	35	<u>EA</u>	<u>\$589.13</u>	<u>\$20,619.55</u>
0003	Mechanical: Transportation, Construction and Agriculture; Mechanical Engineering, Manufacturing and Products, Teaching, Amusement Device, Apparatus for Conducting Process, Ordnance, Trapping, Textile Process and Apparatus, Cleaning, Molding, Founding, Shaping	25	2615	1308	<u>EA</u>	<u>\$572.73</u>	<u>\$749,130.84</u>
0003A	Additional charge if lack of unity exists and the applicant agrees to pay for search of additional inventions	N/A	N/A	72	<u>EA</u>	<u>\$572.73</u>	<u>\$41,236.56</u>
0005	Electrical Communications: Television, Radio, Telemetry, Telephone and Telegraph, Optical Communication, Fax, Electrical Interface Devices, GPS	25	800	400	<u>EA</u>	<u>\$553.53</u>	<u>\$221,412.00</u>
0005A	Additional charge if lack of unity exists and the applicant agrees to pay for search of additional inventions	N/A	N/A	22	<u>EA</u>	<u>\$553.53</u>	<u>\$12,177.66</u>

**B.4 OPTION PERIOD I (April 1, 2006 through September 30, 2006)**

CLIN.	DESCRIPTION	Min.	Max.	Est.	Unit	Unit Price	Extended Price (Uses Est. Quantities)
0002	Life Sciences: Surgery and Medical Devices: Medical instruments, Diagnostic Equipment, Treatment Devices, Surgery, Surgical Supplies, Dentistry, Animal Husbandry, Plant Husbandry, Prosthetics	25	1291	646	<u>EA</u>	<u>\$589.13</u>	<u>\$380,577.98</u>
0002A	Additional charge if lack of unity exists and the applicant agrees to pay for search of additional inventions	N/A	N/A	35	<u>EA</u>	<u>\$589.13</u>	<u>\$20,619.55</u>
0003	Mechanical: Transportation, Construction and Agriculture; Mechanical Engineering, Manufacturing and Products, Teaching, Amusement Device, Apparatus for Conducting Process, Ordnance, Trapping, Textile Process and Apparatus, Cleaning, Molding, Founding, Shaping	25	2615	1308	<u>EA</u>	<u>\$572.73</u>	<u>\$749,130.84</u>
0003A	Additional charge if lack of unity exists and the applicant agrees to pay for search of additional inventions	N/A	N/A	72	<u>EA</u>	<u>\$572.73</u>	<u>\$41,236.56</u>
0005	Electrical Communications: Television, Radio, Telemetry, Telephone and Telegraph, Optical Communication, Fax, Electrical Interface Devices, GPS	25	800	400	<u>EA</u>	<u>\$553.53</u>	<u>\$221,412.00</u>
0005A	Additional charge if lack of unity exists and the applicant agrees to pay for search of additional inventions	N/A	N/A	22	<u>EA</u>	<u>\$553.53</u>	<u>\$12,177.66</u>

**B.5 OPTION PERIOD 2 (October 1, 2007 through March 31, 2007)**

CLIN	DESCRIPTION	Min	Max	Est	Unit	Unit Price	Extended Price (Uses Est Quantities)
0002	Life Sciences: Surgery and Medical Devices: Medical instruments, Diagnostic Equipment, Treatment Devices, Surgery, Surgical Supplies, Dentistry, Animal Husbandry, Plant Husbandry, Prosthetics	25	1291	646	<u>EA</u>	<u>\$589.13</u>	<u>\$380,577.98</u>
0002A	Additional charge if lack of unity exists and the applicant agrees to pay for search of additional inventions	N/A	N/A	35	<u>EA</u>	<u>\$589.13</u>	<u>\$20,619.55</u>
0003	Mechanical: Transportation, Construction and Agriculture; Mechanical Engineering, Manufacturing and Products, Teaching, Amusement Device, Apparatus for Conducting Process, Ordnance, Trapping, Textile Process and Apparatus, Cleaning, Molding, Founding, Shaping	25	2615	1308	<u>EA</u>	<u>\$572.73</u>	<u>\$749,130.84</u>
0003A	Additional charge if lack of unity exists and the applicant agrees to pay for search of additional inventions	N/A	N/A	72	<u>EA</u>	<u>\$572.73</u>	<u>\$41,236.56</u>
0005	Electrical Communications: Television, Radio, Telemetry, Telephone and Telegraph, Optical Communication, Fax, Electrical Interface Devices, GPS	25	800	400	<u>EA</u>	<u>\$553.53</u>	<u>\$221,412.00</u>
0005A	Additional charge if lack of unity exists and the applicant agrees to pay for search of additional inventions	N/A	N/A	22	<u>EA</u>	<u>\$553.53</u>	<u>\$12,177.66</u>

**B.6 TECHNICAL FIELDS**

Each CLIN represents a technical field. The technical fields are defined by their US classification as detailed in Attachments 8 and 9. The technical field is defined by the first claimed invention, which for purposes of this contract will be claim 1. It is possible that an application may have additional inventions drawn to other technical fields within the same applications. Such applications will be assigned to the contractor based solely on the first claimed invention and the entire application will be required to be completed in accordance with the statement of work set forth below. Any classification disputes must be made by the contractor within 3 business days of when the USPTO makes the assigned application available for pick up. The USPTO will have final say in the classification assignment of any application.

**B.7 Performance Based Price Adjustments**

Price adjustments are designed to assure timely delivery of all final accepted deliverables. As directed by the Government, the contractor will have a specified period of time to provide the necessary final deliverables. The final deliverables are set forth in Section C. All final deliverables will be accepted in accordance with the evaluation criteria set forth in Section E. Timeliness must be recognized as a vital requirement of this Contract.

**B.7.1 Determination of Timeliness**

The Contractor will be provided with source documents, hereafter referred to as PCT applications, and the PCT forms that will be necessary for the completions of the final deliverables. The contractor will have a maximum of 30 calendar days, hereafter referred to as "the 30-day period" to prepare and deliver final deliverable, that are acceptable in accordance with Section E, to the USPTO for each PCT application. The 30 day period starts on the day that the USPTO first makes the PCT application available for pick up from the designated location at the

USPTO and will include any day (or any portion of a day which will be counted as a whole day) that the USPTO has not received the final deliverable at the designated location at the USPTO, that are acceptable in accordance with Section E, from the Contractor except where otherwise indicated. After the USPTO receives the final deliverable and determines that the final deliverables are in accordance with Section E, the number of days taken by the Contractor to prepare and deliver the final deliverables will be calculated and compared to the allowed 30 calendar day maximum. The USPTO will perform 100% inspection for compliance with the 30 day period for each PCT Application.

### B.7.2 Performance Based Price Adjustments Calculation

Using computer-generated reports, the Government will review the contractor's compliance with the 30 day period for each PCT application. The USPTO will evaluate timeliness each month. The Contractor's invoices for the month will be adjusted in accordance with the chart below for each PCT application in which final accepted deliverable have been accepted by the USPTO during the month and which the contractor failed to deliver the final accepted deliverable within the 30 day period.

Prices listed in the Offeror's proposal and subsequently incorporated via contract award will be subject to the following performance based adjustments:

Timeliness	Disincentive
When the final accepted deliverable for the PCT application are received ___ calendar days in excess of the 30 day period.	The following unit price adjustment will be applied to the per application CLIN price for the PCT application.
1-5 days	10% of the per application CLIN price subtracted from the per application CLIN price for the PCT application
6-10 days	20% of the per application CLIN price subtracted from the per application CLIN price for the PCT application
11-15 days	30% of the per application CLIN price subtracted from the per application CLIN price for the PCT application **
16-20 days	40% of the per application CLIN price subtracted from the per application CLIN price for the PCT application **
More than 21 days	50% of the per application CLIN price subtracted from the per application CLIN price for the PCT application **

\*\*Contractor performance at this level may lead to non-assignment of work, non-exercise of an option period, or termination for default.

## SECTION C – DESCRIPTION/SPECIFICATIONS/STATEMENT OF WORK

### C.1 PURPOSE

The intent of this contract is to obtain comprehensive services to provide an international search report and a written opinion of the International Searching Authority under the provisions of the Patent Cooperation Treaty (PCT) for international applications in which the United States Patent and Trademark Office (USPTO) is the International Searching Authority (ISA). See <http://www.wipo.int/pct/en/texts/index.htm> or the Manual of Patent Examining Procedure (MPEP), Appendix T for the text of the PCT and regulations under the PCT. The Contractor shall furnish the necessary personnel, material, equipment, services, and facilities (except as otherwise provided or specified) to perform the following Statement of Work/Specifications.

### C.2 BACKGROUND

The PCT is a multilateral treaty administered by the International Bureau (IB) of the World Intellectual Property Organization (WIPO). As of mid-2005, there are 126 countries party to the PCT ("PCT Contracting States"). The PCT provides applicants with a simplified means for filing foreign patent applications in those countries by filing a single international application (a "PCT application").

Upon completion of a formalities review by the receiving Office, a copy of the international application is sent to an International Searching Authority (ISA) for performance of an international-type search and the preparation of an international search report together with a written opinion of the ISA.

### C.3 SCOPE

The Contractor shall furnish the necessary personnel, materials and services, (except as otherwise provided or specified) to perform the following Statement of Work/Specifications. The Contractor will be provided with source documents, hereafter referred to as PCT applications, and the PCT forms that will be necessary for the accomplishment of the many requirements of this contract.

### C.4 REQUIREMENTS

The following is a description of the contractual responsibilities and deliverables required by the USPTO under this contract.

All work performed must be in accordance with the PCT International Search and Preliminary Examination Guidelines (a copy of which is posted at <http://www.wipo.int/pct/en/texts/pdf/ispe.pdf>). A graphical representation of the workflow for a typical PCT application is included as Attachment 10.

The contractor will have a maximum of 30 calendar days, hereafter referred to as "the 30-day period" to prepare and deliver final accepted deliverable to the USPTO for each PCT application. The 30 day period starts on the day that the USPTO first makes the PCT application available for pick up at the designated location at the USPTO and will include any day (any portion of a day will be counted as a whole day) that the USPTO has not received the final deliverable at the designated location at the USPTO, that are accepted in accordance with Section E, from the Contractor except where otherwise indicated. Once the final deliverables have been accepted by the USPTO, the number of days taken by the Contractor to prepare and deliver the final accepted deliverables will be calculated and compared to the allowed 30 calendar day maximum. All final deliverables will be accepted in accordance with the evaluation criteria set forth in Section E.

Upon receipt of each PCT application by the Contractor, the Contractor must perform a formalities review.

After completions of the formalities review, the Contractor must review the claims to see if there are multiple inventions present, that is, the contractor must make an initial assessment as to the Unity of Invention of the claims in the PCT application. It is strongly recommended that this assessment be made within the first 5 days of the 30 day period, to allow for enough time to complete the remaining requirements. If the Contractor believes that Unity of Invention is lacking in any given PCT application, the Contractor shall complete and deliver to the USPTO an

Invitation to Pay Additional Search Fees, Form PCT/ISA/206 (Form 206). The USPTO will notify the Contractor what inventions need to be considered to complete the remaining deliverables.

In very rare instances, all the claims in an international application may be held to be unsearchable. In such situations, the Contractor shall prepare a Non-Establishment of International Search Report (PCT/ISA/203 form, hereafter referred to as "Form 203").

In all other situations where at least a claim is searchable, the Contractor shall prepare an International Search Report (PCT/ISA/210 Form, hereafter referred to as "Form 210"), a Notification of Transmittal of the International Search Report or the Declaration (PCT/ISA/220 Form, hereafter referred to as "Form 220") and a Written Opinion of the International Searching Authority (PCT/ISA/237 Form, hereafter referred to as "Form 237"). In preparing these forms, the contractor must conduct a search to discover relevant prior art. Such prior art may include US and foreign patent documents and non-patent literature (NPL). The Contractor must also apply the discovered prior art to the claims of the PCT application.

In addition to the PCT forms, the Contractor shall provide the USPTO a Recordation of Search History. The Recordation of Search History will include the field of search, search strategy, details of classification, non-patent literature and database searches.

The "final" deliverable shall consist of a Form 210, Form 220, Form 237, Recordation of Search History, and cited references or a Form 203 and Form 220. The Form 206 is not considered a "final" deliverable. All final deliverables necessary for submission to the USPTO by the Contractor shall be delivered simultaneously to the USPTO. The final deliverable will include the PCT forms and the Recordation of Search History on a computer readable medium and hard copies of any Foreign patent documents and non-patent literature cited in the PCT forms.

Acceptance of the deliverables by the Government shall be done in accordance with the 30 day period and the evaluation criteria set forth in Section E.

#### **C.4.1 Performing Formality Review**

The Contractor must perform a formalities review for each PCT application. The formalities review will include: making sure the computer readable medium which contains the PCT application is readable, verifying that the first claimed invention is encompassed in a CLIN for which the Contractor has been awarded the contract, verifying that the PCT application is complete including a form PCT/ISA/225 where applicable. The contractor shall return the PCT application to the USPTO if the computer readable medium is unreadable or the PCT application is incomplete. If the contractor returns the PCT application within 3 business days, the 30 day period will be restarted on the day that the USPTO makes a new or complete copy of the PCT application available to the Contractor. If the PCT application is returned to the USPTO beyond 3 business days from when the PCT application was first made available for pick up, the 30 day period will be suspended from the day the USPTO receives the PCT application and will restart the day the USPTO makes a new or complete copy of the PCT application available for pick up by the Contractor.

#### **C.4.2 Making a Unity of Invention Determination and Preparing the Invitation to Pay Additional Fees (PCT/ISA/206 form, hereafter "Form 206"), if applicable**

**C.4.2.1** For each PCT application, the Contractor shall determine if there is only one invention claimed or if there are multiple inventions claimed using the Unity of Invention criteria as set forth in Chapter 10 of the PCT International Search and Preliminary Examination Guidelines (a copy of which is posted at <http://www.wipo.int/pct/en/texts/pdf/ispe.pdf>). The first claimed invention and all claims having unity therewith will always be considered by the Contractor when preparing the final deliverables. Where multiple inventions are present, the Contractor shall be required to prepare and deliver a Form 206 to the USPTO, which sets forth the groups of claims present, the supporting rational for making the lack of unity of invention determination, and the fee to search the additional inventions. From the date the Form 206 is received by the USPTO, the 30-day period for that application will be temporarily suspended. During this suspension period, the Contractor is encouraged to conduct the search and prepare the final deliverable, for the first claimed invention and claims having unity therewith as these actions will always be required for the first claimed invention and claims having unity therewith. The purpose of the temporary suspension of the 30-day period is to allow the applicant the

opportunity to pay for the search of additional inventions. Instructions for filling out Form 206 are set forth on Attachment 3.

**C.4.2.2** A USPTO official will review the Contractor submitted Form 206 for acceptance. The USPTO will reject the Contractor submitted Form 206 if the USPTO determines that Unity of Invention is present. As such, the contractor will be notified that all claims of the PCT application must be considered in the preparation of the final deliverables and that an error against the quality requirements will be charged as set forth in Section E. The 30-day period for the PCT application will resume from that date of notification. If correction to the Form 206 is required, the Contractor will be notified of the need to correct the Form 206 or, at the USPTO discretion, the USPTO will correct the Form 206 and the Contractor will be informed of the necessary corrections for future reference. If the Contractor is notified that correction is required, the 30 day period will resume as of the date of notification. The necessity for correction will be noted by the USPTO and an error against the quality requirements may be charged to the Contractor irrespective of who makes the correction. A USPTO official will sign an accepted Form 206 and mail the form to the applicant.

**C.4.2.3** The applicant will be given one month to respond to the Form 206. The USPTO will notify the Contractor of applicant's response to the Form 206. The 30-day period for the PCT application will resume from that date of notification. In addition to the first claimed inventions and claims having unity therewith, the Contractor shall consider all claims for which additional search fees have been paid by the applicant in the preparation of the final deliverables. If no response to the Form 206 is received from the applicant within the one-month time period, the USPTO will notify the Contractor in writing that no response was filed and that the Contractor shall only consider the first claimed inventions and claims having unity therewith when preparing the final deliverables.

**C.4.2.4** Section E provides a list of essential criteria that must be completed correctly on the Form 206 for the deliverable to be considered to have no errors.

**C.4.3 Preparing the Non-Establishment of International Search Report (PCT/ISA/203 form, hereafter referred to as "Form 203")**

**C.4.3.1** In very rare instances, all the claims in a PCT application may be held to be unsearchable. Claims are unsearchable if: 1) they are directed to subject matter that the USPTO considers ineligible for patent protection; 2) they are so unclear that no meaningful search can be carried out; or 3) they are directed to specific nucleotide and/or amino acids sequences for which applicant has not supplied a sequence listing in computer readable form, either upon filing or after receiving an invitation to furnish a computer readable form (CRF) of the sequence listing. MPEP section 706.03(a) defines such subject matter under the heading "Subject Matter Eligibility." MPEP sections 2105 and 2106 contain additional information on biotech inventions, mathematical algorithms and computer programs. If all of the claims are directed to such subject matter, the Contractor shall prepare the Form 203 by entering all the data as specified on Attachment 2.

**C.4.3.2** If, after having read the international application, the Contractor considers that the description, claims or the drawings are so unclear that no meaningful search can be performed on all of the claims, the Contractor shall prepare the Form 203 by entering all the data as specified on, Attachment 2.

**C.4.3.3** Where an international application contains disclosure of one or more specific nucleotide and/or amino acid sequences, the application must also contain a sequence listing complying with the standard set forth in Annex C of the PCT Administrative Instructions. A copy of the PCT Administrative Instructions is found in the MPEP as Appendix AI and is posted on the Internet <http://www.wipo.int/pct/en/texts/index.htm>. If the applicant has not provided both a paper copy of the sequence listing and CRF of the sequence listing or if the copies provided together with the international application are not in compliance with Annex C of the PCT Administrative Instructions, the International Searching Authority must issue an Invitation to Furnish Nucleotide and/or Amino Acid Sequence Listing, Form PCT/ISA/225, (Form 225), to the applicant that sets forth a time period for response. The Form 225 will be issued by the USPTO. After expiration of the time limit for response, the PCT application together with a copy of the applicant's response to the Form 225 will be forwarded to the Contractor. Where all the claims in the international application are directed to specific amino acid and/or nucleotide sequences for which no sequence listing complying with Annex C has been provided, the Contractor shall prepare the Form 203 by entering all the data as specified on Attachment 2.



**C.4.3.4** Section E provides a list of essential criteria that must be completed correctly on the Form 203 for the deliverable to be considered to have no errors. The 30 day period will be suspended as of the date that the USPTO receives the Form 203. If the Form 203 is rejected or requires correction to conform with Section E, the Contractor may be charged with an error as set forth in Section E. The PCT application may be returned to the Contractor for correction and the 30 day period will resume from the date that the USPTO make the PCT application available for pick up. At the discretion of the USPTO, the USPTO may correct the Form 203 in lieu of returning the PCT application to the Contractor for correction. The error may be charges irrespective of who makes the corrections.

**C.4.4 Preparing the International Search Report (PCT/ISA/210 Form, hereafter referred to as "Form 210")**  
**The Contractor shall prepare the Form 210 by entering all the data as specified in Attachment 4.**

**C.4.4.1 Classification.**

The Contractor must assign both a U.S. classification and an IPC Classification to the claimed subject matter. The USPTO classification tools can be accessed via the Internet. The tools may provide assistance in determining the US classification for a given technology. The current IPC Concordance may provide some general assistance to determine the corresponding IPC classification for a given US class/subclass. However, the IPC Concordance only provides an approximation of the correspondence between IPC classification and US classification. The actual IPC schedules (A through H) for a given IPC classification indicated in the Concordance should be further consulted to determine if a more detailed or precise corresponding IPC classification can be determined than that listed in the Concordance for a given US class/subclass.

**C.4.4.2 Search Functions.**

The purpose of the search is to discover relevant art by searching US and foreign patent documents and non-patent literature (NPL). For each PCT application received (except PCT applications where a Form 203 has been accepted by the USPTO), the Contractor is responsible for performing an international-type search in accordance with MPEP Chapter 900 and the search guidelines. General guidelines on searching are found in MPEP 719.05 and 900. More detailed technology-specific information on where to conduct searches can be found in USPTO search guidelines (sample search guidelines in Attachment 11). The USPTO search guidelines list relevant databases by technology and/or US classification (arranged by class/subclass), which are routinely searched by examiners in a given technology. Depending on the precise nature of the subject matter claimed, databases other than those listed in the search guidelines might be relevant. Conversely, not all databases listed in a particular technology search guidelines may be pertinent to the particular subject matter being searched. The search guidelines may be changed or updated on a recurring basis.

At a minimum, the Contractor must meet the minimum documentation requirements in accordance with PCT Rule 34.

**C.4.4.3 References.**

The Contractor shall list relevant prior art references on the international search report. These references will also be applied against the claims in the written opinion of the ISA.

Relevant prior art is defined as everything which is made available to the public anywhere in the world by means of written disclosure (including drawings and other illustrations) and which is capable of being of assistance in determining that the claimed invention is or is not new and that it does or does not involve an inventive step (i.e., that it is or is not obvious), provided that the public availability occurred prior to the "relevant date". For the purposes of the international search report, the relevant date is the international filing date. However, the definition of "relevant date" changes for the purposes of the written opinion established by the ISA. Specifically the "relevant date" for the purposes of that written opinion is either the international filing date, or where the international application validly claims priority of an earlier application,

the filing date of such earlier application. Where a reference has been published between the international filing date and the claimed priority date, it is necessary to look at the priority application in order to determine if the claimed invention was adequately described in the earlier application. The USPTO will provide the Contractor with copies of US priority applications so that the Contractor can determine whether the claimed invention was adequately described and enabled in the priority application. Because the time limit for adding and/or correcting a priority claim and for furnishing a certified copy of priority applications may not yet have expired at the time that the written opinion is prepared, if a copy of the priority application is not provided, the written opinion will be prepared as though the claimed priority date is valid. The Contractor should make every effort to find relevant prior art that was made available to the public more than one year before the priority date.

Any published patent applications or patents that would constitute relevant prior art, except where the publication date is the same or later than international filing date, will be cited on the international search report, where the filing date or claimed priority date is earlier than the international filing date. However, these published applications or patents are not considered prior art for the written opinion. The written opinion of the ISA must draw attention to such documents since they may be relevant to the determination of novelty and inventive step by designated or elected Offices.

The Contractor must categorize each reference cited. A reference may have multiple categories. The Contractor must determine the relevant claims for each category of a reference. Category "X" implies that when the reference is taken alone, the relevant claims cannot be considered novel or cannot be considered to include an inventive step. Category "Y" implies that when the reference is taken in combination with one or more other such cited references, the relevant claims cannot be considered to include an inventive step, such combination of referenced being obvious to a person skilled in the art. Category "A" as used in a reference defines the general state of the art.

In selecting the references to be cited and categorized, the contractor should carefully compare the references with one another and with the disclosure of the PCT application to avoid the citation of an unnecessary number of references. The contractor is not called upon to cite all references that may be available, but only the "best." The number of the state of the art references (category A) which are cited should be limited. In some PCT applications, only one state of the art reference may need to be cited per claimed invention. Only in rare instances should there be more than five state of the art references cited per claimed invention. Citing multiple references where any one reference is as good as, but no better than the others, should be avoided.

The best reference should always be applied against the claims. Sometimes the best reference will have a publication date less than a year prior to the application priority date. In these cases, if a second reference exists which has a publication date more than a year prior to the application priority date, though inferior, is an adequate basis for rejection, the claims should be additionally rejected thereon.

**C.4.4.4** Section E provides a list of essential criteria that must be completed correctly on the Form 210 for the deliverable to be considered to have no errors. The 30 day period will be suspended as of the date that the USPTO receives the final deliverables. If the USPTO determined that the Form 210 requires correction to conform with Section E, the Contractor may be charged with an error as set forth in Section E. The PCT application may be returned to the Contractor for correction and the 30 day period will resume from the date that the USPTO make the PCT application available for pick up. At the discretion of the USPTO, the USPTO may correct the Form 210 in lieu of returning the PCT application to the Contractor for correction. The error may be charges irrespective of who makes the corrections.

#### **C.4.5 Preparing the Notification of Transmittal of the International Search Report or the Declaration (PCT/ISA/220 Form, hereafter "Form 220")**

The Contractor shall prepare the Form 220 for all PCT applications by entering all the data as specified on Attachment 5. Section E provides a list of essential criteria that must be completed correctly on the Form 220 for the deliverable to be considered to have no errors. The 30 day period will be

suspended as of the date that the USPTO receives the final deliverables. If the the USPTO determined that the Form 220 requires correction to conform with Section E, the Contractor may be charged with an error as set forth in Section E. The PCT application may be returned to the Contractor for correction and the 30 day period will resume from the date that the USPTO make the PCT application available for pick up. At the discretion of the USPTO, the USPTO may correct the Form 220 in lieu of returning the PCT application to the Contractor for correction. The error may be charges irrespective of who makes the corrections.

**C.4.6 Preparing the Written Opinion of the International Searching Authority (PCT/ISA/237 Form, hereafter "Form 237")**

**C.4.6.1** The Contractor shall prepare the Form 237 for all PCT applications (except PCT applications where a Form 203 has been accepted by the USPTO) by entering all the data as specified on Attachment 6.

**C.4.6.2** Form 237 is used to apply the prior art found during the search against the claimed invention by providing detailed explanations as to novelty, inventive step and industrial applicability of the claimed invention. Form 237 sets forth: the basis of the opinion with respect to the language of the international application and where applicable, the use of any sequence listings and/or tables related to sequence listings if used in the search; the non-validity of the priority claim(s), where applicable; the non-establishment of the opinion with regard to novelty, inventive step and industrial applicability, where applicable to one or more claims, and the reasons therefor; lack of unity of invention, where applicable and the grouping of claims and explanation supporting the lack of unity of invention; a statement with regard to novelty, inventive step or industrial applicability for the claims searched and detailed explanations supporting such statement; an indication of certain documents cited that cannot be used in the reasoned statements because of the date of publication; certain defects in the international application, where applicable; and certain observations on the international application, where applicable.

**C.4.6.3** Section E provides a list of essential criteria that must be completed correctly on the Form 237 for the deliverable to be considered to have no errors. The 30 day period will be suspended as of the date that the USPTO receives the final deliverables. If the the USPTO determined that the Form 237 requires correction to conform with Section E, the Contractor may be charged with an error as set forth in Section E. The PCT application may be returned to the Contractor for correction ant the 30 day period will resume from the date that the USPTO make the PCT application available for pick up. At the discretion of the USPTO, the USPTO may correct the Form 237 in lieu of returning the PCT application to the Contractor for correction. The error may be charges irrespective of who makes the corrections.

**C.4.7 Recordation of the search history.**

Supplemental to the Form 210 and Form 237, the Contractor is required to document the search history in such detail that the complete extent of the search (e.g. field of search, search strategy, details of classification, non-patent literature and database searches, etc.) accomplished by the Contractor can be immediately envisaged and recreated by the USPTO. The recordation of the search history is intended to provide the USPTO with the necessary information to assess Contractor quality with respect to the search. The items listed in Attachment Recordation of Search History are required items for the recordation of the search, and must be provided.

**Recordation of the Search History**

**Background**

The procedures listed below provide the contractor with the necessary guidelines for recording the details of the search history for each PCT application. The search history provides a complete, accurate, and uniform record of

what has been searched and considered by the contractor. The search history is important in evaluating the prior art determinations made by the contractor in the search report and/or written opinion.

### Field of Search

The contractor shall provide the United States Patent Classification (USPC) or International Patent Classification (IPC) classifications of domestic and foreign patents, abstract collections, and publications in which a classification search for prior art was made and the database used for the classification search. The contractor must also identify other information collections and sources in which the search for prior art was made. The contractor shall indicate the date(s) on which the search was conducted.

In order to provide a complete, accurate, and uniform record of what has been searched and considered by the contractor for each application, the USPTO has established procedures for recording search data supplemental to the International Search Report/Written Opinion. Such a record is of importance to anyone evaluating the quality of the search, the prior art made of record, and the determinations regarding novelty, inventive step or other requirements and which are based upon the prior art.

### "SEARCH HISTORY" Information

The following searches are required to be recorded in Microsoft Word® and provided to the USPTO in a document entitled "SEARCH HISTORY" by the contractor along with the date the search was conducted and the searcher's full name, according to the following guidelines listed below. Database results should be provided as ASCII text files.

#### I. Classification Information

The classification information portion should correspond with the "Field of Search" indicated in the International Search Report:

**(A) A complete search of a classification**, including all USPC and foreign patent documents, whether categorized by USPC or IPC classification, and other publications placed therein. A classified search is a complete search of all the documents in a particular subclass, whether filed by U.S. or IPC classification and it is not limited by any text query or other means. If a classified search was performed, the class and subclass must be recorded in the "SEARCH HISTORY" document along with the date that the search was performed (or updated) and the searcher's initials.

#### Examples

424/270, 272, 273  
224/42.1 F  
414/DIG. 4  
D3/32 R  
A61K 9/22  
A61K 31/56 - A61K 31/585

Unless a classified search as defined was performed, it would be improper to merely record the class and subclass in the "SEARCH HISTORY" document without any indication that a limited classified search was performed.

**(B) A limited search of a classification**, for example, a search that is restricted to an identifiable portion of the patent documents placed therein. A limited classified search is defined as a search of a classified patent document database limited by a text query or a set of text queries or other means. If, however, only the publications in a classification are searched, see item numbered II(C) below. If a limited classified search was performed, the class and subclass followed by an appropriate annotation must be recorded in the "SEARCH HISTORY" document along with the date that the search was performed (or updated) and the searcher's initials. The complete classification, followed by the information defining the portion of the classification searched, in parentheses, shall be recorded.

#### Examples

414/1 (US only)

238/6 (1954 to date)  
A61K 9/22 (1990 to date)  
705/14 (text search only – see search history printout)  
4C083 AC10 (F-term, abstract only)  
A61B 5/00N4P (ECLA, text search of full doc – see search history printout)  
G06F1/2 (text search only – see search history printout)

**(C) Text search only performed in a particular database (no classified or limited classification search was performed.** If a text search was performed in a particular database and no classified or limited classified search was performed, the following entry must be recorded on the "SEARCH HISTORY" document: "See search history printout(s)" along with the date that the search was performed (or updated) and the searcher's initials.

## II. Other "SEARCH HISTORY" Information

Other "SEARCH HISTORY" information is intended to complete the application file record of areas and/or documents considered by the contractor in their search. The contractor should record the following searches in the manner indicated, with each search dated:

**(A) A cursory search, or scanning,** of a USPC or IPC classification, i.e., a search usually made to determine if the documents classified there are relevant. Record the classification, followed by "(cursory)."

### Examples

250/13 (cursory)  
A61K 9/44 (cursory)

**(B) A search of a publication** not located within the classified patent file, e.g., a library search, a textbook search, a Chemical Abstracts search, etc. Record according to the following for each type of literature search:

**(1) Abstracting publications,** such as Chemical Abstracts: Record name of publications, list terms consulted in index, and indicate period covered.

### Examples

Chem. Abs, Palladium hydride Jan.-June 1975  
Eng. Index, Data Conversion Analog to Digital 1975

**(2) Periodicals** — list by title and period or volumes covered, as appropriate.

### Examples

Popular Mechanics, June-Dec. 1974  
Lubrication Engineering, vols. 20-24

**(3) Books** — list by title and author, edition or date, as appropriate.

### Example

Introduction to Hydraulic Fluids, Roger E. Hatton, 1962

**(4) Other types of literature** not specifically mentioned herein (i.e., catalogs, manufacturer's literature, private collections, etc.).

Record data as necessary to provide unique identification of material searched.

### Example

Sears Roebuck catalog, Spring-Summer, 1973.

A cursory or browsing search through a number of materials that are not found to be of significant relevance may be indicated in a collective manner, e.g., "Browsed Scientific and Technical Information Center (STIC) shelves under QA 76.5" or "Browsed text books in STIC relating to [insert

relevant technology]" More detailed reviews or searches through books and periodicals or any search of terms in abstracting publications should be specifically recorded.

**(C) The search of only the publications in a subclass.**

Record class and subclass followed by "(publications only)."

**Examples**

43/56 (publications only)

99/DIG. 15 (publications only)

**(D) In each application involving a search of a computer accessed text or chemical structure or an amino acid or nucleic acid sequence database,** the contractor shall provide, the name of the database service, the date when the search was made, the computer databases searched, and the search queries, including text, chemical structure, or sequences. The queries shall be documented by providing the following minimum information:

- (1) The search logic containing the key words and/or query logic including any database-specific identifiers, prefixes, suffixes, truncation symbols, chemical registry numbers, etc., or chemical structure or sequence used as a query.
- (2) The name of the file or files searched and the database service.
- (3) Date of the search.
- (4) For sequence or chemical structure searches, the precise sequence by sequence listing identifier or chemical structure searched must be identified. Any partial sequence or partial chemical structure searched must be specified by identifying the partial sequence or partial chemical structure and the parent sequence or chemical structure from which the partial sequence or chemical structure was taken from and the precise location where the partial sequence or chemical structure resides within the parent sequence or chemical structure.

**Examples**

- a) Nucleic acid sequence SEQ ID NO: 5 searched for complements using BLAST, default parameter settings, against Genbank database.
- b) Chemical structure search via STN of formulae II in claim 1 in CAS registry file database.
- c) Nucleotides 10-50 of nucleic acid sequence SEQ ID NO: 5 searched for complements using BLAST, default parameter settings, against Genbank database.
- d) R1 of the Chemical structure of formulae II in claim 1 searched via STN in CAS registry file database.
- (5) For any sequence search accomplished by the contractor, the contractor must provide additionally to II D (4) above, the databases searched, the program and parameters used for the sequence search and alignments, and the sequence alignments corresponding to any prior art discovered and cited in the search report or written opinion.
- (6) The details of searches using combinations of any of the foregoing searches, including those combined with classified searches must be provided, and consistent such that all the information as listed above for any of the foregoing searches is included and how the combined search was accomplished.

**Example**

435/6 classified search results in WEST further refined by text search query: probe and insulin gene.

- (7) A printout of the chemical structure edited and uploaded for search within commercial databases must be provided as part of the search history.

Two ways in which this minimum documentation can be provided are:

- (1) providing as part of the search history, and as necessary annotating, the computer search printout resulting from a computer assisted search; or,
- (2) recording the required information in the "SEARCH HISTORY" document.

For the methods above, the name of the database service and the expressions "(see form)" or "(see printout)" should be recorded as appropriate with the date.

- (8) Searcher's initials.

#### **(E) Other Databases**

For other types of publicly accessible computer accessed databases (e.g., CD-ROM databases, specialized databases, etc.), record data as necessary to provide unique identification of material searched and sufficient information as to the search query or request so that the search can be updated. If any other database search was performed, the specific database search must be recorded in the "SEARCH HISTORY" document along with the date that the search was performed (or updated) and the searcher's initials. The record should also document the location of the database and its form (i.e. CD-ROM).

#### **Example: Citing a biotech CD-ROM database**

Entrez: Sequences, National Center for Biotechnology Information, Version 7.19.91b (CD-ROM, TC 1600) Searched HIV and vaccine; neighbored Galloway article dated 6/5/91 on April 1, 1990.

#### **Example: Citing a non-biotech CD-ROM database**

Computer Select, (November, 1991), Ziff Davis Communications Co., (CD-ROM, STIC), Searched Unix and emulation on December 1, 1991.

#### **Printouts**

Most of the database services accessed in application searches provide a command to display or print the search history that includes most, if not all, of the minimum required information for documenting database searches. The printout(s) must include the following minimum information: (a) all the search logic or chemical structure or sequence used as a database query; (b) all the name(s) of the file(s) searched and the database services; (c) the date the search was made or updated; and (d) the searcher's full name. Any missing elements may be documented in writing on the printout of the search history or by supplying further portions of the search transcript that do include the missing elements. For further information and examples relating to printouts provided by database services, see MPEP 719.05. If there are several search statements in the history, the statement(s) for which the results were reviewed should be identified by indicating, "results reviewed" for that search statement. The form or printout page(s) with the required data elements of a search should be appended to the search history document.

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

### **D.1 PACKAGING AND PACKING REQUIREMENTS**

The Contractor shall package all products delivered under this contract to ensure safe delivery at their destination(s) in accordance with normal commercial practice for domestic shipment. Deliverables, reports and manuals may also be required to be submitted electronically at no additional cost to the Government.

### **D.2 MARKING REQUIREMENTS**

The Contractor shall mark and/or label all shipping containers holding products/deliverables being returned or delivered to the USPTO to show the contract number, a brief description of the contents, Contractor's name, and the name of the Contracting Officer's Technical Representative.



**SECTION E - INSPECTION AND ACCEPTANCE****E.1 52.252-01 CLAUSES INCORPORATED BY REFERENCE**

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):

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<http://www.arnet.gov/far/>  
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52.246-04	Inspection of Services – Fixed Price	AUG 1996
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**E.2 EVALUATION CRITERIA**

The USPTO has determined a set of evaluation criteria that will be applied to the Contractor supplied deliverables. The evaluation criteria correspond to the content of the deliverables which must be correct for the USPTO to accept the deliverables. The USPTO will use the evaluation criteria to determine if the deliverables contain errors that require correction. The evaluation criteria are divided into three levels.

**E.2.1 LEVEL ONE EVALUATION CRITERIA**

The evaluation criteria included in level 1 are the evaluation criteria that the USPTO deems to be the most important. The contractor will be assessed a single level one error if the USPTO determines that any deliverable for a given PCT application is deficient in any one of the level one evaluation criteria. If the USPTO determines that a PCT application contains a level one error, the PCT application will be returned to the Contractor for correction. The level one evaluation criteria are:

- (1) Is there art that would render unpatentable any claim shown in the International Search Report (ISR) or Written Opinion to have both novelty and inventive step (i.e., ISR shows no X or Y references applicable to that claim)? This includes art that the Contractor cited in the ISR/Written Opinion or any non-discovered art that Contractor would have reasonably been expected to have found.
- (2) Were any improper opinions regarding the lack of novelty of one or more claims raised?
- (3) Were any improper opinions regarding the lack of inventive step of one or more claims raised?
- (4) Were any improper opinions regarding the lack of industrial applicability of one or more claims raised?

**E.2.2 LEVEL TWO EVALUATION CRITERIA**

The level two evaluation criteria included the evaluation criteria that the USPTO deems to be of a substantive nature. The contractor will be assessed a single level two error if the USPTO determines that any deliverable for a given PCT application is deficient in any one of the level two evaluation criteria. If the USPTO determines that a PCT application contains a level two error, the PCT application will be returned to the Contractor for correction. The level two evaluation criteria are:

- (1) Was the field of search and search strategy appropriate to the claimed subject matter, and did the search encompass the inventive concept and the claimed features?
- (2) Was the application properly classified using the latest version of the IPC?
- (3) Were all searchable claims searched?
- (4) Were all unsearchable claims indicated as being unsearchable?

(5) Were relevant documents properly identified and characterized as to how they apply to each claim subject to search (e.g., identified as X, Y or A with respect to each claim to which they apply)?

(6) Where the international application was considered to comply with unity of invention, was this determination appropriate?

(7) Where the international application did not comply with unity of invention, and lack of unity was asserted, was the grouping of claims proper and clearly explained with supporting rationale? Were all claims addressed with regard to novelty, inventive step, and industrial applicability?

### **E.2.3 LEVEL THREE EVALUATION CRITERIA**

The level three evaluation criteria includes the evaluation criteria that the USPTO deems to be of a formalities review nature. If the USPTO holds that a PCT application contains a level three error, the PCT application will be returned to the Contractor for correction or, at the option of the USPTO, the USPTO will correct the error(s) and notify the contractor of the errors for future reference. The level three evaluation criteria are:

- (1) Was the search recordation complete and in proper form?
- (2) For each objection based on prior art, were references with publication dates more than one year prior to the earliest effective date of the application cited, if available?
- (3) Were all references relied upon in the Written Opinion cited?
- (4) Where the international application did not comply with unity of invention, was lack of unity asserted?
- (5) For each opinion asserting lack of novelty or lack of inventive step, were references with publication dates more than one year prior to the earliest effective date of the application applied, if available?
- (6) Where appropriate, were all opinions regarding the lack of industrial applicability of claims raised?
- (7) Were all opinions regarding the lack of industrial applicability of one or more claims proper?
- (8) Were all U.S. priority claims treated properly?
- (9) Where appropriate, were observations raised relating to the clarity of the claims, the description, the drawings, and whether the claims are fully supported by the description?
- (10) Were all observations raised relating to the clarity of the claims, the description, the drawings, and whether the claims are fully supported by the description proper?
- (11) Were opinions and observations clearly explained using language appropriate to examination under the Patent Cooperation Treaty?
- (12) Was the most comprehensive reference found?
- (13) For each opinion asserting lack of novelty or lack of inventive step, was the most comprehensive reference applied?
- (14) Bibliographic data errors including:
  - Mailing address (error may affect ability to deliver document)
  - International filing date (WIPO will report error)
  - International application number (WIPO will report error)
  - Applicant's name (WIPO will report error)
  - Priority date (WIPO will report error)

- (15) Other formality errors, such as:
- (a) IPC codes;
  - (b) Figure to be published with abstract; and (c) Abstract missing.

### **E.3 REQUIRED QUALITY STANDARDS**

The Contractor will be held to specific error rates for level one and level two. Acceptable performance is defined as an error rate less than or equal to 5.49%. Contractor performance at or above an error rate of 5.50% for level 1 may lead to non-assignment of work, non-exercise of an option period or termination for default. The error rate for level one will be calculated by dividing the number of level one errors held by the USPTO by the total number of PCT applications initially submitted and then multiplying by 100. Contractor performance at or above an error rate of 5.50% for level 2 may lead to non-assignment of work, non-exercise of an option period or termination for default. The error rate for level two will be calculated by dividing the number of level two errors held by the USPTO by the total number of PCT applications initially submitted and then multiplying by 100. Level 3 errors must be corrected in order for the deliverables to be accepted by the USPTO but no specific error rate will be applied.

## SECTION F – DELIVERIES OR PERFORMANCE

### F.1 52.252-01 CLAUSES INCORPORATED BY REFERENCE

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):

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<http://www.arnet.gov/far/>  
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52.242-15	Stop Work Order	AUG 1989
52.242-17	Government Delay of Work	APR 1984
52.247-34	F.o.b. Destination	NOV 1991

### F.2 EFFECTIVE PERIOD OF THE CONTRACT

The effective period of this contract is as follows:

Base Period	October 1, 2005 through March 31, 2006
Option Period 1	April 1, 2006 through September 30, 2006
Option Period 2	October 1, 2006 through March 31, 2007

Any order issued during the effective period of this contract and not completed within that period, shall be completed by the Contractor within the time specified in the order. The contract shall govern the Contractor's and the Government's rights and obligations with respect to the order to the same extent as if the order were completed during the contract's effective period. Delivery orders or task orders will not be issued prior to the availability of appropriated funds from which expenditures there under may be made.

### F.3 ORDERING PROCEDURES

- A. As required, the Contracting Officer will issue a modification to the contract providing funding for the work order.
- B. Supplies or services to be furnished under this contract shall be ordered by the issuance of a work order.
- C. Weekly work orders shall be placed via e-mail by the Contracting Officer's Technical Representative (COTR).
- D. All work orders issued hereunder are subject to the terms and conditions of this contract. The Contract shall govern in the event of conflict with any work order.
- E. All work orders shall be considered to be issued for the purpose of this contract at the time the email is sent.
- F. Orders placed under this contract shall contain the following information:
  - 1. Date of Order
  - 2. Contract Number
  - 3. Order Number
  - 4. Contract Line Item(s) (CLINs)
  - 5. Quantity Ordered
  - 6. Due date
  - 7. Special instructions, when necessary
- G. Work Orders under this contract will be issued only to the email address specified by the Contractor.
- H. Orders issued will be at the fixed unit prices in Schedule B and within the delivery times specified.

## SECTION G - CONTRACT ADMINISTRATION DATA

### G.1 CONTRACT ADMINISTRATION

Notwithstanding the Contractor's responsibility for total management during the performance of the contract, the administration of the contract will require maximum coordination between the USPTO and the Contractor. The following individuals will be the USPTO points of contact during the performance of the contract.

#### (a) Contracting Officer's Technical Representative

A Contracting Officer's Technical Representative (COTR) will be designated on authority of the Contracting Officer to monitor all technical aspects and assist in administering the contract. The types of actions within the purview of the COTR's authority are to assure that the Contractor performs the technical requirements of the contract; to perform or cause to be performed inspections necessary in connection with performance of the contract; to maintain both written and oral communications with the Contractor concerning the aspects of the contract within his/her purview; to issue written interpretations of technical requirements of Government drawings, designs and specifications; to monitor the Contractor's performance under the contract and notify the Contractor and Contracting Officer of any deficiencies observed; and to coordinate Government-Furnished Property or Data availability and provide for site entry of Contractor personnel if required. A letter of designation will be issued to the COTR with a copy supplied to the Contractor, stating the responsibilities and limitations of the COTR. This letter will clarify to all parties to the contract the responsibilities of the COTR. At no time may the scope of work, price, delivery dates, or other mutually agreed upon terms or provisions of the contract be changed without being executed in writing by the Contracting Officer authorizing such changes.

#### (b) Contracting Officer

All contract administration will be effected by the Contracting Officer, address as shown on the face page of the contract. Communications pertaining to contract administration matters will be addressed to the Contracting Officer. No changes in or deviation from the scope of work shall be effected without a Supplemental Agreement executed by the Contracting Officer authorizing such changes.

### G.2 CONTRACTING OFFICER'S AUTHORITY

The Contracting Officer is the only person authorized to make or approve any changes in any of the requirements of the contract and notwithstanding any provisions contained elsewhere in the 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 price to cover any increase in costs incurred as a result thereof.

### G.3 CONTRACTING OFFICER'S TECHNICAL REPRESENTATIVE (COTR) -- TECHNICAL DIRECTION

(a) The Contracting Officer hereby designates the individual named below as the Contracting Officer's Technical Representative.

NAME: Blaine Copenheaver  
ADDRESS: U.S. Patent and Trademark Office  
400 Dulany Street—Remsen Building  
Room 7A79  
Alexandria, VA 22314

PHONE NO: (571) 272-1156  
EMAIL: blaine.copenheaver@uspto.gov

The COTR may be changed at any time by the Government without prior notice to the Contractor but notification of the change, including the name and address of the successor COTR, will be promptly provided to the Contractor by the Contracting Officer in writing.

(b) The responsibilities and limitations of the COTR are as follows:

- (1) The COTR is responsible for the technical aspects of the project and 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.
- (2) 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 request for changes shall be referred to the Contracting Officer directly or through the COTR. No such changes shall be made without the expressed prior authorization of the Contracting Officer. The COTR may designate assistant COTR(s) to act for him by naming such assistant in writing and transmitting a copy of such designation through the Contracting Officer to the Contractor.

#### **G.4 INVOICING AND PAYMENT INSTRUCTIONS**

(a) Invoices shall be submitted in an original and two (2) copies to the following address:

**U.S. Patent and Trademark Office  
Office of Finance, Mail Stop 17  
P.O. Box 1450  
Alexandria, VA 22313-1450**

(b) To constitute a proper invoice, the invoice must include the following information or attached documentation:

- (1) Name of Contractor, invoice number and invoice date;
- (2) Contract number and work order number (one per invoice);
- (3) Description, price, and quantity of each CLIN ordered under that specific work order;
- (4) Payment terms;
- (5) Name, title, phone number, and complete mailing address of responsible official to whom payment is to be sent.

(c) If items are rejected for failure to conform to the contract requirements, the provisions in the Prompt Payment clause (FAR 52.232-25--see Section I) will apply to the new acceptance of replacement items.

#### **G.5 INVOICING/PAYMENT FREQUENCY**

The Contractor shall submit invoices on a monthly basis for work completed during the previous month.

#### **G.6 ELECTRONIC PAYMENT INFORMATION**

(a) The information required by the clause at FAR 52.232-33, Payment by Electronic Funds Transfer - Central Contractor Registration (see Section I), shall be forwarded by the Contractor to the below-designated office:

**U.S. Patent and Trademark Office  
Office of Finance, Mail Stop 17  
P.O. Box 1450  
Alexandria, VA 22313-1450**

(b) If requested, a form will be provided to the Contractor for this purpose. In the event payment is assigned to a bank, thrift, or other financing institution pursuant to the clause FAR 52.232-23, Assignment of Claims (see Section I), the Contractor shall forward that form to the assignee for completion.

**G.7 ACCESS TO GOVERNMENT SEARCH TOOLS**

The USPTO will provide access to public WEST (a public version of the USPTO's Web-based Examiner Search Tool) for use in searching applications in this pilot program only, i.e. use is limited to searching cases for the pilot program. Public WEST is capable of performing automated searching of patents issued from 1790 to the current week of issue. Full document text may be searched on U.S. patents issued since 1971 and OCR text from 1920 to 1970. U.S. patent images from 1790 to the present may be retrieved for viewing or printing. Some limited foreign patent documents are available as well. In order to access public WEST, the contractor will be required to purchase Prizm 6.0/7.0 image software, which is commercially available software available for purchase at <http://www.pegasusimaging.com/prizmviewer.htm>. The USPTO will provide a reasonable number of secure fobs, which must be returned to the USPTO at the conclusion of the pilot. Recommended minimum computer specifications are provided as Attachment 12.

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

### **H.1 TYPE OF CONTRACT**

This is an Indefinite Delivery Indefinite Quantity (IDIQ) type contract.

### **H.2 ADVERTISING OF AWARD**

The Contractor agrees not to refer to awards in commercial advertising in such a manner as to state or imply that the product or service provided is endorsed or preferred by the Federal Government, or is considered by the Government to be superior to other products or services. Advertisements, press releases and publicity of a contract by a supplier shall not be made without the prior express written permission of the Contracting Officer.

### **H.3 OPTION TO EXTEND THE TERM OF THE CONTRACT**

(a) The USPTO may extend the term of the contract by unilateral modification to the contract provided that the USPTO shall give the Contractor a preliminary written notice of its intent at least 30 days before the contract expires. The preliminary notice does not commit the Government to an extension.

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

(c) The total duration of the contract, including the exercise of any options and award terms under this clause, shall not exceed 18 months from the effective date of this contract.

### **H.4 NO WAIVER OF DELIVERY SCHEDULE**

(a) None of the following shall be regarded as an extension, waiver, or abandonment of the delivery schedule or a waiver of the USPTO's right to terminate for default: (i) Delay by the USPTO in terminating for default; (ii) Acceptance of delinquent deliveries; and (iii) Acceptance or approval of OCD submissions either after default in delivery or in sufficient time for the contractor to meet the delivery schedule.

(b) Any assistance rendered to the Contractor on the contract or acceptance by the USPTO of delinquent goods or services hereunder will be solely for the purpose of mitigating damages and is not to be construed as an intention on the part of the USPTO to condone any delinquency, or as a waiver of any rights the USPTO may have under subject contract.

### **H.5 DOMESTIC SOURCE REQUIREMENTS**

In accordance with the domestic source requirements of P.L. 108-447, any search under this contract must be performed in the United States by persons that –

- (i) if individuals, are United States citizens; and
- (ii) if business concerns, are organized under the laws of the United States or any State and employ United States citizens to perform the searches.

### **H.6 CONFLICTS OF INTEREST AND PROTECTION OF CONFIDENTIAL INFORMATION**

#### **(a) Scope**

This document relates to the restrictions to be placed on the Patent Cooperation Treaty (PCT) search authority contractor, and all subcontractors, consultants, and individuals performing work under the contract for the purpose of avoiding improper conflicts of interest with respect to PCT searches and of protecting confidential information provided to PCT search authority contracting staff. The obligations entered into under this clause are for the benefit of the patent applicants whose confidential information is provided to the contractor as well as for the benefit of the USPTO.

#### **(b) Background**



The role of the PCT search authority Contractor is to provide the skilled staff, tools, and other resources necessary to conduct in-depth quality prior art searches and related services and to enhance United States Patent and Trademark Office's (USPTO) search capabilities. Therefore, it is imperative that the Contractor be free of potential or actual conflicts of interest that could bias or appear to bias a Contractor's judgment in performing prior art search services. For example, a conflict may arise where the employee of the Contractor or subcontractor performing a search under this contract has performed a prior art search in the same art for a private party. In order to prevent and mitigate such conflicts, the USPTO intends to impose the following restrictions and contract requirements set forth below.

(c) Representations and Disclosures

- (1) The Offeror warrants and represents that neither it, nor any of its affiliates, has any ownership interest in U.S. patents, applications pending before the USPTO, or applications in process that will be filed at the USPTO. For purposes of this paragraph, a provisional application is considered pending before the USPTO until the date that is twelve month after the filing date of the provisional application.
- (2) The Offeror warrants and represents that its employees, subcontractors (of any tier) and their employees, and consultants who will perform prior art search functions under any resulting contract, have no ownership interest in U.S. patents, pending applications in the USPTO or applications in process that will be filed at the USPTO.
- (3) The Offeror agrees that its employees, the employees of any subcontractors (of any tier) and consultants who will perform prior art search functions or review the results of such searches under any resulting contract, will not hold a financial interest in an entity which derives substantial revenues in the art or technology in which that employee will perform prior art search functions. For example, an employee who conducts prior art search functions in the bio-technology field, may not own or have a financial interest in a bio-technology firm or entity. For purposes of this clause, the financial interests of the employee's spouse or minor child will be imputed to the employee. However, the restrictions of this paragraph shall not apply to financial interests in publicly traded securities valued at an aggregate of \$25,000 or less for all applicable entities or firms.
- (4) The Offeror agrees that it and its employees must have no financial interest in any owner or assignee of the application upon which they are conducting a prior art search under the contract.
- (5) If the Offeror derived twenty percent (20%) or more of its revenues in its preceding fiscal year from any single entity, excluding the USPTO, the Offeror agrees that it will not conduct searches, within the current fiscal year, in the arts or technologies in which that entity derives substantial revenue. The Offeror warrants and represents that it has identified any entity with respect to which this restriction applies in its proposal submitted in response to this solicitation. The Offeror further agrees that it will notify the contracting officer in writing within thirty (30) days of the close of each subsequent fiscal year of the identity of any entity with respect to which the restriction then applies.
- (6) The Offeror warrants and represents that, to the best of its knowledge and belief, there are no other relevant facts or circumstances which could give rise to a conflict of interest or that it has disclosed all relevant information concerning any potential conflict.

(d) Obligations

- (i) The Contractor agrees that during the period of performance of this contract, and for one year thereafter, neither it nor any of its employees will file any patent applications, including PCT applications, in the USPTO or elsewhere either on its own or any other entity's behalf.
- (ii) The Contractor agrees that during the period of performance of this contract, neither its employees nor subcontractors will perform a prior art search for a patent application upon which it, its employees, or its subcontractors, has previously performed a search on behalf of the applicants, inventors, assignees, or their representatives with respect to the same invention.
- (iii) The Contractor has a continuing obligation to be free from any conflicts of interest and agrees to promptly disclose any change in the factual basis for the representations set forth in paragraph c of this clause that occurs or has occurred at any time between the submission of its offer and final payment under the contract, including any change resulting from any ownership changes of the Contractor or its subcontractors during the period of performance of

the contract. Likewise, the Contractor shall promptly disclose any information that comes to its attention suggesting that any of the representations under paragraph c of this clause may have been inaccurate when made.

- (iv) The contractor shall monitor the compliance of its employees, and those of its subcontractors and consultants with the requirements of paragraph c(3) this clause as follows:

- i. The contractor shall require that each of its employees, and each of the employees of its subcontractors and consultants, who perform searches under this contract or review the results of such searches, provide reports to the contractor on their financial interests. The contractor shall require that all such employees file such reports within 30 days of first being assigned to perform search functions and within 30 days of an option being exercised. The reports shall include all assets held for investment or the production of income with a market value of over \$1000, measured at the time the reports are filed, and all sources of earned income of more than \$200 per year, held by the employee or the employee's spouse or minor children. The employee's personal residence, deposits in financial institutions, and the employee's salary for performance of work under this contract may be omitted from the reports.
- ii. Ninety days after contract award, within 45 days of an option being exercised, the contractor shall report to the contracting officer as to whether its review of the reports required by paragraph d(4)(i) of this clause has revealed the existence of any financial interests that could result in a violation of paragraph c(3) of the clause, and the steps the contractor has taken to prevent any such violations. The reports submitted under this paragraph shall be deemed to be "performance reports" as that term is used in paragraph (e) of the Audit and Records – Negotiation clause of this contract.

(e) Access to and Use of Patent Application and Government-Furnished Information

- (i) The Contractor acquires no right or privilege to use or disclose any information contained in any patent application file (in any form whatsoever) except to perform the work under this contract. The Contractor, in the performance of this contract, will have access to confidential information contained in patent applications or government-furnished information which has not been released or otherwise made available to the public. The Contractor agrees that without prior written approval of the Contracting Officer it shall not:
  - (ii) Use such information for any private purpose.
  - (iii) Submit a patent application to the USPTO or any other entity that is based on such information.
  - (iv) Release such information unless such information has previously been released or otherwise made available to the public by the USPTO or the World Intellectual Property Organization.
- (2) The Contractor agrees that, to the extent it receives or is given access to patent applications, PCT applications, proprietary data, trade secrets, or other confidential or privileged technical, business, or financial information (hereafter referred to as "confidential information") under this contract, it shall treat such confidential information in accordance with any restrictions imposed on such information. Patent application documents and information contained therein, when furnished to the Contractor by the USPTO, shall be handled, at a minimum, in accordance with the provisions regarding confidential information of:

35 U.S.C. § 122  
 37 CFR § 1.11 and 1.14  
 35 U.S.C. §§ 181-188  
 37 CFR part 5

- (3) The Contractor shall obtain from each employee who has access to confidential information under this contract, a written agreement which shall in substance provide that such employee shall not, disclose to others or use for their benefit, confidential information received in connection with the work under this contract. The agreement must also expressly prohibit such employee from voluntarily appearing and giving expert or opinion testimony in any legal proceeding regarding USPTO information, subjects, or activities and provide that the employee shall immediately notify the USPTO if any attempt is made to compel him or her to disclose, or to provide testimony in any form concerning, such information,

subjects, or activities. In addition, the agreement shall prohibit employee from making any communication with any Federal agency with respect to any patent application for which he or she performed a search under the contract or any related matter, except as authorized in writing by the USPTO. The agreement shall expressly state that it is entered for the benefit of the USPTO and of the patent applicants whose information is disclosed to the employee, and that it will survive both the termination of the employees work under this contract and the termination or expiration of the contract itself. Furthermore, the Contractor will provide its employees with specific initial and refresher training concerning this conflict of interest clause so as to ensure that they will not use or disclose confidential information generated or acquired in performance of this contract except as provided herein.

- (4) The Offeror shall submit with its proposal a plan for maintaining the confidential information within patent applications. The plan must provide for adequate protection of confidential information during all phases of contract performance and during the period following such performance.

(f) Subcontracts

The Contractor shall include this clause, including this paragraph, but excluding paragraph (d)(4), in consulting agreements and subcontracts of any tier. Consequently, these conflict of interest provisions apply to subcontractors and consultants. The terms "contract", "Contractor", and "Contracting Officer" will be appropriately modified to preserve the Government's rights.

(g) Remedies and Waiver

- (i) Remedies: The Contracting Officer may terminate this contract for convenience, in whole or in part, whenever it deems such termination necessary to avoid a conflict of interest. If the Contractor was aware of a potential 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 from Government contracting, or pursue such other remedies as may be permitted by law or this contract.
- (ii) Waiver: Requests for waiver under this clause shall be directed in writing to the Contracting Officer and shall include a full description of the requested waiver and the reasons in support thereof. If it is determined to be in the best interests of the Government, the Contracting Officer shall grant such a waiver in writing.

(h) Government Indemnity

The Contractor shall hold the Government harmless and indemnify the Government as to any cost or loss resulting from the unauthorized use or disclosure of patent application information by the Contractor, its employees, subcontractors, agents, or consultants.

## H.7 KEY PERSONNEL

- a. The Contractor shall assign to this contract the following key personnel:

Labor Category

Name

Project Manager

Search Approval Official(s)



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Exemption 4 FOIA

5 USC § 552(b)(4)

USPTO FOIA 05-313

The Project Manager is defined as the person who is responsible for the management of performance of the contract. The Search Approval Official(s) is the person or persons who approves the submission of the final deliverables to the USPTO.

- b. During the first ninety (90) days of performance, the Contractor shall make no substitutions of key personnel unless the substitution is necessitated by illness, death, or termination of employment. The Contractor shall notify the Contracting Officer within fifteen (15) calendar days after the occurrence of any of these events and provide the

information required by paragraph (c) below. After the initial 90-day period, the Contractor shall submit the information required by paragraph (c) to the Contracting Officer at least fifteen (15) days prior to making any permanent substitutions.

c. The Contractor shall provide a detailed explanation of the circumstances necessitating the proposed substitutions, complete resumes for the proposed substitutes, and any additional information requested by the Contracting Officer. Proposed substitutes should have comparable qualifications to those of the persons being replaced. The Contracting Officer will notify the Contractor within fifteen (15) calendar days after receipt of all required information of the decision on substitutions. The contract will be modified to reflect any approved changes of key personnel.

## **H.8 NONDISCLOSURE OF PATENT INFORMATION**

All patent data furnished by the Government to the Contractor for the necessary performance of the contract shall be and remain the sole property of the Government. The Contractor agrees not to assert any rights, or to establish any claim under the design, patent, trademark, or copyright laws, or to publish or reproduce such matter in whole or in part in any manner or form except as provided under this agreement.

## **H.9 SECRECY AND USAGE OF PATENT INFORMATION**

Work under this contract does not affect the national security. However, patent applications are required by law (35 U.S.C. 122) to be kept in confidence. Information contained in any patent application file(s) is restricted to authorized Contractor personnel on a need-to-access basis.

The Contractor acquires no right or privilege to use or disclose any information contained in any patent application file (in any form whatsoever) except to perform the work under the contract. Further, the Contractor shall not copyright or make any use or disclosure whatsoever of any patent information contained in any application or related copy or data furnished the Contractor by the Government or obtained therefrom except performing the requirements of this contract.

Security requirements of patent application file data maintained in a computer-accessible medium are an extension of the security requirements for the hard copy or the patent application folders. All processing, storage or transmission of patent application file data by means of electronic communications systems is prohibited unless use of such systems is approved by the USPTO.

All personnel having access to patent application files or data or information concerning the same, must take the following at or affirmation, signed in writing:

"I do swear or affirm that I will preserve the applications for patents in secrecy, that I will not divulge any information concerning the same to unauthorized persons while employed in work under this contract or at any time thereafter; and that I take this obligation freely, and without mental reservation or purpose of evasion."

Each employee's signed oath, or affirmation, shall be retained in the Contractor's file, subject to inspection by authorized Government representatives.

Without advance notice, the Government shall have the right to inspect the Contractor's premises, records, and work in process pertaining to the secrecy of patent information.

## **H.10 HOLD AND SAVE THE GOVERNMENT HARMLESS FROM LIABILITY**

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, for, or on account of infringement of any patent or copyright or any other unauthorized disclosure or use of any confidential secret, or proprietary data, process, product or invention, whether or not patentable, in the performance of this contract, including their disclosure or use by the Government consistent with rights in, or intent of, the contract. Where applicable, this shall include full indemnification of all costs and expenses.

**H.11 COMPLIANCE WITH LAWS**

The Contractor shall comply with all applicable laws, rules and regulations having the force of law which deal with or relate to performance hereunder or the employment by the Contractor of the employees necessary for such performance. The Contractor shall procure such permits, licenses, and other required authorizations from the United States and from state and local authorities, as may be necessary in connection with beginning or carrying on to completion of the contract work, and shall at all times comply with all United States, State and Local Laws in any way affecting the contract work.

**H.12 SUPERVISION OF CONTRACTOR'S EMPLOYEES**

(a) Personnel assigned to render services under this contract shall at all times be employees of the Contractor or its subcontractor(s) and under the direction and control of the Contractor. Notwithstanding any other provisions of this contract, the Contractor shall at all times be responsible for the supervision of its employees in the performance of the services required hereunder.

(b) Contractor personnel shall not at any time during the contract period be employees of the U.S. Government.

**H.13 WORKLOAD DISTRIBUTION (MULTIPLE AWARDS)**

If multiple awards are made within a Technology Field CLIN, work will be equitably distributed among Contractors. The following factors will influence work assignment: Price, Past Performance (i.e. quality, timeliness, etc..) and Capacity to handle additional work.

**H.14 DUPLICATION AND DISCLOSURE OF CONFIDENTIAL DATA**

Duplication or disclosure of confidential data provided by the USPTO or to which the Contractor will have access as a result of this contract is prohibited. It is understood that throughout performance of the contract the Contractor may have access to confidential data which is the sole property of the USPTO, as well as access to proprietary data which is the sole property of other than the contracting parties. The Contractor hereby agrees to maintain the confidentiality of all such data to which access may be obtained throughout contract performance whether title thereto vests in the USPTO or otherwise. The Contractor hereby agrees not to disclose said data, any interpretations thereof or data derivative therefrom, to unauthorized parties in contravention of these provisions without prior written approval of the CO or the party in which title thereto is wholly vested. Additionally, all application material printed out must be shredded to the point where it is not easily recognized or can be reconstructed. This clause also applies to any subcontractors and/or consultants used by the Contractor.

**H.15 NOTICE TO THE GOVERNMENT OF DELAYS**

In the event the Contractor encounters difficulty in meeting performance requirements, or when it anticipates difficulty in complying with the contract delivery schedule or date, or whenever the Contractor has knowledge that any actual or potential situation is delaying or threatens to delay the timely performance of this contract, the Contractor shall immediately notify the Contracting Officer and the COTR, in writing, giving pertinent details, provided, however, that this data shall be informational only in character and that this provision shall not be construed as a waiver by the Government of any delivery schedule or date or of any rights or remedies provided by law or under this contract.

**H.16 GOVERNMENT FURNISHED DATA**

The Government shall deliver to the Contractor, as may be requested, Government-Furnished Data (GFD) during the performance of this contract. GFD will be delivered to the Contractor as specified in each task order.

Title to GFD shall remain in the Government, and the Contractor shall use the GFD only in connection with this contract.

Upon completion or termination of this contract, the Contractor shall return to the Government all GFD.

**H.17 CAR 1352.239-73- SECURITY REQUIREMENTS FOR INFORMATION TECHNOLOGY RESOURCES**

- (a) This clause is applicable to all contracts that include information technology resources or services in which the Contractor must have physical or electronic access to USPTO's sensitive or classified information, which is contained in systems that directly support the mission of the Agency. For purposes of this clause the term "Sensitive" is defined by the guidance set forth in:
- (1) The *DOC IT Security Program Policy and Minimum Implementation Standards* (<http://www.ossec.doc.gov/cio/itmhwweb/itmhwweb1.html>);
  - (2) The Office of Management and Budget (OMB) *Circular A-130, Appendix III, Security of Federal Automated Information Resources*, (<http://csrc.nist.gov/secplcy/a130app3.txt>) which states that there is a "presumption that all [general support systems] contain some sensitive information."; and
  - (3) The *Computer Security Act of 1987* (P.L. 100-235) (<http://www.epic.org/crypto/csa/csa.html>), including the following definition of the term sensitive information "... any information, the loss, misuse, or unauthorized access, to or modification of which could adversely affect the national interest or the, conduct of federal programs, or the privacy to which individuals are entitled under section 552 a of title 5, Unites States Code (The Privacy Act), but which has not been specifically authorized under criteria established by an Executive Order or an Act of Congress to be kept secret in the interest of national defense or foreign policy."

For purposes of this clause, the term "Classified" is defined by the guidance set forth in:

- (1) The *DOC IT Security Program Policy and Minimum Implementation Standards, Section 3.3.1.4* (<http://www.ossec.doc.gov/cio/itmhwweb/itmhwweb1.html>).
- (2) The *DOC Security Manual, Chapter 18* (<http://www.ossec.doc.gov/osy/>).
- (3) Executive Order 12958, as amended, Classified National Security Information. Classified or national security information is information that has been specifically authorized to be protected from unauthorized disclosure in the interest of national defense or foreign policy under an Executive Order or Act of Congress.

Information technology resources include, but are not limited to, hardware, application software, system software, and information (data). Information technology services include, but are not limited to, the management, operation (including input, processing, transmission, and output), maintenance, programming, and system administration of computer systems, networks, and telecommunications systems. The Contractor shall be responsible for implementing sufficient Information Technology security, to reasonably prevent the compromise of USPTO IT resources for all of the contractor's systems that are interconnected with a USPTO network or USPTO systems that are operated by the Contractor.

- (b) All Contractor personnel performing under this contract and Contractor equipment used to process or store USPTO data, or to connect to USPTO networks, must comply with the requirements contained in the USPTO IT Security Handbook.
- (c) For all Contractor-owned systems for which performance of the contract requires interconnection with a USPTO network or that USPTO data be stored or processed on them, the Contractor Shall:
  - (1) Provide, implement, and maintain an IT Security Plan. This plan shall describe the processes and procedures that will be followed to ensure appropriate security of IT resources that are developed, processed, or used under this contract. The plan shall describe those parts of the contract to which this clause applies. The Contractor's IT Security Plan shall comply with federal laws that include, but are not limited to, the Computer Security Act of 1987 (40 U.S.C. 1441 *et seq.*) and the Federal Information Security Management Act of 2002, Pub. L. No.107-347, 116 Stat. 2899, 2946-2961 (2002); Pub. L. No. 107-296, 116 Stat. 2135, 2259-2273 (2002). 38 WEEKLY COMP. PRES. DOC. 51, 2174 (Dec. 23, 2002) (providing statement by President George W. Bush regarding Federal Information Security Management Act of 2002). The plan shall meet IT security requirements in accordance with Federal and USPTO policies and procedures that include, but are not limited to:
    - (a) OMB Circular A-130, *Management of Federal Information Resources*, Appendix III, *Security of Federal Automated Information Resources* (<http://csrc.nist.gov/secplcy/a130app3.txt>);

- (b) National Institute of Standards and Technology Special Publication 800-18, *Guide for Developing Security Plans for Information Technology Systems* (<http://csrc.nist.gov/publications/nistpubs/800-18/Planguide.PDF>) ; and
- (c) DOC Procedures and Guidelines in the *Information Technology Management Handbook* (<http://www.osc.doc.gov/cio/itmweb/itmweb1.html>) .
- (d) National Industrial Security Program Operating Manual (NISPOM) for classified systems (<http://www.dss.mil/isec/nispom.htm>); and

(2) Within 14 days after contract award, the contractor shall submit for USPTO approval a System Certification and Accreditation package, including the IT Security Plan and a system certification test plan, as outlined in USPTO Certification and Accreditation Technical Standard and Guideline. The Certification and Accreditation Package must be consistent with and provide further detail for the security approach contained in the offeror's proposal or sealed bid that resulted in the award of this contract and in compliance with the requirements stated in this clause. The Certification and Accreditation Package, as approved by the Contracting Officer, in consultation with the USPTO IT Security Officer, shall be incorporated as part of the contract. USPTO will use the incorporated IT Security Plan as the basis for certification and accreditation of the contractor system that will process USPTO data or connect to USPTO networks. Failure to submit and receive approval of the Certification and Accreditation Package, as outlined above may result in termination of the contract.

(d) The Contractor shall incorporate this clause in all subcontracts that meet the conditions in paragraph (a) of this clause.

#### **H.18 CAR 1352.239-74 SECURITY PROCESSING REQUIREMENTS FOR CONTRACTORS/SUBCONTRACTOR PERSONNEL FOR ACCESSING USPTO AUTOMATED INFORMATION SYSTEMS (DEVIATION)**

(a) Contractor personnel requiring any access to AISs operated by the Contractor for USPTO or interconnected to a USPTO network to perform contract services shall be screened at an appropriate level in accordance with Commerce Acquisition Manual 1337.70, *Security Processing Requirements for Service Contracts*. USPTO shall provide screening using standard personnel screening forms, which the Contractor shall submit to the USPTO Contracting Officer's Technical Representative (COTR) based on the following guidance:

Contract personnel performing work designated Contract High Risk and personnel performing work designated Contract Moderate Risk in the information technology (IT) occupations and those with "global access" to an automated information AIS require a favorable pre-employment check before the start of work on the contract, regardless of the expected duration of the contract. After a favorable pre-employment check has been obtained, the Background Investigation (BI) for Contract High Risk and the Minimum Background Investigation (MBI) for Contract IT Moderate Risk positions must be initiated within three working days of the start of work.

Contract personnel performing work designated Contract Moderate Risk who are not performing IT-related contract work do not require a favorable pre-employment check prior to their employment; however, the Minimum Background Investigation (MBI) must be initiated within three working days of the subject's start of work on the contract, regardless of the expected duration of the contract.

Contract personnel performing work designated Contract Low Risk will require a National Agency Check and Inquiries (NACI) upon the subject's start of work on the contract if the expected duration of the contract exceeds 365 calendar days. The NACI must be initiated within three working days of the subject's start of work on the contract.

Contract personnel performing work designated Contract Low Risk will require a Special Agreement Check (SAC) upon the subject's start of work on the contract if the expected duration of the contract (including options) exceeds 180 calendar days but is less than 365 calendar days. The SAC must be initiated within three working days of the subject's start of work on the contract.

Contract personnel performing work on contracts requiring access to classified information must undergo investigative processing according to the Department of Defense National Industrial

Security Program Operating Manual (NISPOM), (<http://www.dss.mil/isec/nispom.htm>) and be granted eligibility for access to classified information prior to beginning work on the contract. The security forms may be obtained from USPTO Office of Security. At the option of the USPTO, interim access to USPTO AISs may be granted pending favorable completion of a pre-employment check. Final access may be granted only on completion of an appropriate investigation based upon the risk level assigned to the contract.

(b) Within 5 days of contract award, the Contractor shall certify in writing to the COTR that its employees, in performance of the contract, have completed annual IT security awareness training in USPTO IT Security policies, procedures, computer ethics, and best practices, in accordance with the USPTO Training Policy. The COTR will inform the Contractor of any other available USPTO training resources.

(c) The Contractor shall afford USPTO, including the Office of Inspector General, access to the Contractor's and subcontractor's facilities, installations, operations, documentation, databases, and personnel used in performance of the contract. Access shall be provided to the extent required to carry out a program of IT inspection, investigation, and audit to safeguard against threats and hazards to the integrity, availability, and confidentiality of USPTO data or to the function of computer AISs operated on behalf of USPTO, and to preserve evidence of computer crime.

(d) The Contractor shall incorporate this clause in all subcontracts that meet the conditions in paragraph (a) of this clause.

(NOTE: Low Risk contracts whose duration is less than 180 days do not ordinarily require security processing. However, even though the contract is short in duration, based on any unusual circumstances that may exist, Special Agreement Checks (SACs) may be requested, at the discretion of the Contracting Officer's Technical Representative (COTR) and/or the USPTO Security Office.)



**SECTION I – CONTRACT CLAUSES****I.1 52.252-01 CLAUSES INCORPORATED BY REFERENCE (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 solicitation provision may be accessed electronically at this address: <http://www.arnet.gov/far/>.

Clause	Title	Date
52.202-01	Definitions	July 2004
52.203-03	Gratuities	April 1984
52.203-05	Covenant Against Contingent Fees	April 1984
52.203-07	Anti-Kickback Procedures	July 1995
52.203-08	Cancellation, Rescission, and Recovery of Funds for Illegal or Improper Activity	January 1997
52.203-10	Price Or Fee Adjustment For Illegal Or Improper Activity	January 1997
52.203-11	Certification and Disclosure Regarding Payments to Influence Certain Federal Transactions	April 1991
52.203-12	Limitation On Payments To Influence Certain Federal Transactions	June 2003
52.204-07	Central Contractor Registration	October 2003
52.204-04	Printed or Copied Double-Sided on Recycled Paper.	August 2000
52.209-06	Protecting the Government's Interest When Subcontracting With Contractors Debarred, Suspended, or Proposed for Debarment	July 1995
52.215-02	Audit and Records--Negotiation	June 1999
52.215-08	Order of Precedence--Uniform Contract Format	October 1997
52.215-14	Integrity of Unit Prices.	October 1997
52.216-22	Indefinite Quantity	October 1995
52.217-08	Option to Extend Services	November 1999
52.217-09	Option To Extend The Term Of The Contract	March 2000
52.219-08	Utilization of Small Business Concerns	May 2004
52.219-09	Small Business Subcontracting Plan	January 2002
52.222-21	Prohibition of Segregated Facilities	February 1999
52.222-26	Equal Opportunity	April 2002
52.222-35	Equal Opportunity for Special Disabled Veterans, Veterans of the Vietnam Era, and Other Eligible Veterans	December 2001
52.222-36	Affirmative Action For Workers with Disabilities	June 1998
52.222-37	Employment Reports on Special Disabled Veterans, Veterans of the Vietnam Era, and Other Eligible Veterans	December 2001
52.223-06	Drug Free Workplace	May 2001
52.223-14	Toxic Chemical Release Reporting	August 2003
52.225-13	Restrictions on Certain Foreign Purchases	December 2003
52.227-02	Notice and Assistance Regarding Patent and Copyright Infringement.	August 1996
52.227-03	Patent Indemnity	April 1984
52.227-14	Rights in Data- General	June 1987
52.232-1	Payments	April 1984
52.232-17	Interest	June 1996
52.232-23	Assignment Of Claims	January 1986
52.232-25	Prompt Payment	October 2003
52.232-33	Payment by Electronic Funds Transfer--Central Contractor Registration	October 2003
52.233-01	Disputes	July 2002
52.242-13	Bankruptcy	July 1995
52.243-01	Changes--Fixed price (Alternate 1)	August 1987
52.245-04	Government Furnished Property	June 2003
52.249-02	Termination For Convenience Of The Government (Fixed-Price)	May 2004
52.249-08	Termination For Default (Fixed Price Supply or Service)	April 1984
52.249-14	Excusable Delays	April 1984

52.253-01	Computer Generated Forms	January 1991
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## **I.2 52.216-18 ORDERING OCTOBER 1995**

(a) Any supplies and services to be furnished under this contract shall be ordered by issuance of work orders by the individuals or activities designated in the Schedule. Such orders may be issued during the performance period of the contract.

(b) All work orders are subject to the terms and conditions of this contract. In the event of conflict between a work order and this contract, the contract shall control.

(c) If mailed, a work order is considered "issued" when the Government deposits the order in the mail. Orders may be issued orally, by facsimile, or by electronic commerce methods only if authorized in the Schedule.

## **I.3 52.216-19 ORDER LIMITATIONS OCTOBER 1995**

(a) Minimum order. When the Government requires supplies or services covered by this contract in an amount less than the minimum stated per CLIN (See Section B) then the Government is not obligated to purchase, nor is the Contractor obligated to furnish, those supplies or services under the contract.

(b) Maximum order. The Contractor is not obligated to honor any order for any CLIN in excess of the maximum stated quantity per CLIN (See Section B).

(c) If this is a requirements contract (i.e., includes the Requirements clause at subsection 52.216-21 of the Federal Acquisition Regulation (FAR)), the Government is not required to order a part of any one requirement from the Contractor if that requirement exceeds the maximum-order limitations in paragraph (b) of this section.

(d) Notwithstanding paragraphs (b) and (c) of this section, the Contractor shall honor any order exceeding the maximum order limitations in paragraph (b), unless that order (or orders) is returned to the ordering office within 5 days after issuance, with written notice stating the Contractor's intent not to ship the item (or items) called for and the reasons. Upon receiving this notice, the Government may acquire the supplies or services from another source.

## **I.4 52.244-06 SUBCONTRACTS FOR COMMERCIAL ITEMS**

**DECEMBER 2004**

(a) Definitions. As used in this clause-

"Commercial item" has the meaning contained in Federal Acquisition Regulation 2.101, Definitions.

"Subcontract" includes a transfer of commercial items between divisions, subsidiaries, or affiliates of the Contractor or subcontractor at any tier.

(b) To the maximum extent practicable, the Contractor shall incorporate, and require its subcontractors at all tiers to incorporate, commercial items or nondevelopmental items as components of items to be supplied under this contract.

(c)(1) The Contractor shall insert the following clauses in subcontracts for commercial items:

- (i) 52.219-8, Utilization of Small Business Concerns (May 2004) (15 U.S.C. 637(d)(2) and (3)), in all subcontracts that offer further subcontracting opportunities. If the subcontract (except subcontracts to small business concerns) exceeds \$500,000 (\$1,000,000 for construction of any public facility), the subcontractor must include 52.219-8 in lower tier subcontracts that offer subcontracting opportunities.
- (ii) 52.222-26, Equal Opportunity (Apr 2002) (E.O. 11246).
- (iii) 52.222-35, Equal Opportunity for Special Disabled Veterans, Veterans of the Vietnam Era, and Other Eligible Veterans (Dec 2001) (38 U.S.C. 4212(a));

(iv) 52.222-36, Affirmative Action for Workers with Disabilities (June 1998) (29 U.S.C. 793).

(v) 52.222-39, Notification of Employee Rights Concerning Payment of Union Dues or Fees (Dec 2004) (E.O. 13201). Flow down as required in accordance with paragraph (g) of FAR clause 52.222-39).

(vi) 52.247-64, Preference for Privately Owned U.S.-Flag Commercial Vessels (Apr 2003) (46 U.S.C. Appx 1241 and 10 U.S.C. 2631) (flow down required in accordance with paragraph (d) of FAR clause 52.247-64).

(2) While not required, the Contractor may flow down to subcontracts for commercial items a minimal number of additional clauses necessary to satisfy its contractual obligations.

(d) The Contractor shall include the terms of this clause, including this paragraph (d), in subcontracts awarded under this contract.

(End of clause)

## SECTION J - LIST OF ATTACHMENTS

### J.1 List of Attachments

- Attachment 1: PCT Request (PCT/RO/101 form)
- Attachment 2: Declaration of Non-Establishment of International Search Report (PCT/ISA/203 form, hereafter "Form 203" and instructions for preparing Form 203
- Attachment 3: Invitation to Pay Additional Fees (PCT/ISA/206 form, hereafter "Form 206") and instructions for preparing Form 206
- Attachment 4: International Search Report (PCT/ISA/210 form, hereafter "Form 210") and instructions for preparing form 210
- Attachment 5: Notification of Transmittal of the International Search Report and the Written Opinion of the International Searching Authority, or the Declaration (PCT/ISA/220 form, hereafter "Form 220") and instructions for preparing Form 220
- Attachment 6: Written Opinion of the International Searching Authority (PCT/ISA/237 form, hereafter "Form 237") and instructions for preparing Form 237
- Attachment 7: PCT INTERNATIONAL SEARCH AND PRELIMINARY EXAMINATION GUIDELINES  
<http://www.wipo.int/pct/en/texts/pdf/ispe.pdf>
- Attachment 8: USPTO Classification Schedule  
<http://www.uspto.gov/go/classification/>
- Attachment 9: Technical Field Breakdown
- Attachment 10: Workflow Diagram
- Attachment 11: Sample Search Guidelines (Samples 1-10)
- Attachment 12: Recommended Computer Specifications