part 404 and the agency's licensing regulations, if any, concerning the licensing of Government-owned inventions, any decision concerning the revocation or modification of its license.

(f) Recipient Action to Protect Government's Interest

(1) The Recipient agrees to execute or to have executed and promptly deliver to DOE all instruments necessary to:

(i) Establish or confirm the rights the Government has throughout the world in those subject inventions for which the Recipient retains title; and

(ii) Convey title to DOE when requested under paragraph (d) of this Patent Rights clause, and to enable the government to obtain patent protection throughout the world in that subject invention.

(2) The Recipient agrees to require, by written agreement, its employees, other than clerical and non-technical employees, to disclose promptly in writing to personnel identified as responsible for the administration of patent matters and in a format suggested by the Recipient each subject invention made under this award in order that the Recipient can comply with the disclosure provisions of paragraph (c) of this Patent Rights clause, and to execute all papers necessary to file patent applications on subject inventions and to establish the Government's rights in the subject inventions. The disclosure format should require, as a minimum, the information requested by paragraph (c)(1) of this Patent Rights clause. The Recipient shall instruct such employees through the employee agreements or other suitable educational programs on the importance of reporting inventions in sufficient time to permit the filing of patent applications prior to U.S. or foreign statutory bars.

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

(4) The Recipient agrees to include, within the specification of any U.S. patent application and any patent issuing thereon covering a subject invention, the following statement: ``This invention was made with Government support under (identify the award) awarded by (identify DOE). The Government has certain rights in this invention."

(g) Subaward/Contract

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

(2) The Recipient will include in all other subawards/contracts, regardless of tier, for experimental, developmental or research work, the patent rights clause required by 10 CFR 600.325(c).

(3) In the case of subawards/contracts at any tier, DOE, the Recipient, and the subrecipient/contractor agree that the mutual obligations of the parties created by this clause constitute a contract between the subrecipient/contractor and DOE with respect to those matters covered by the clause.

(h) Reporting on Utilization of Subject Inventions

The Recipient agrees to submit on request periodic reports no more frequently than annually on the utilization of a subject invention or on efforts at obtaining such utilization that are being made by the Recipient or its licensees or assignees. Such reports shall include information regarding the status of development, date of first commercial sale or use, gross royalties received by the Recipient and such other data and information as DOE may reasonably specify. The Recipient also agrees to provide additional reports in connection with any march-in proceeding undertaken by DOE in accordance with paragraph (j) of this Patent Rights clause. As required by 35 U.S.C. 202(c)(5), DOE agrees it will not disclose such information to persons outside the Government without the permission of the Recipient.

(i) Preference for United States Industry.

Notwithstanding any other provision of this Patent Rights clause, the Recipient agrees that neither it nor any assignee will grant to any person the exclusive right to use or sell any subject invention in the U.S. unless such person agrees that any products embodying the subject invention or produced through the use of the subject invention will be manufactured substantially in the U.S. However, in individual cases, the requirement for such an agreement may be waived by DOE upon a showing by the Recipient or its assignee that reasonable but unsuccessful efforts have been made to grant

licenses on similar terms to potential licensees that would be likely to manufacture substantially in the U.S. or that under the circumstances domestic manufacture is not commercially feasible.

(j) March-in-Rights

The Recipient agrees that with respect to any subject invention in which it has acquired title, DOE has the right in accordance with procedures at 37 CFR 401.6 and any supplemental regulations of the Agency to require the Recipient, an assignee or exclusive licensee of a subject invention to grant a non-exclusive, partially exclusive, or exclusive license in any field of use to a responsible applicant or applicants, upon terms that are reasonable under the circumstances and if the Recipient, assignee, or exclusive licensee refuses such a request, DOE has the right to grant such a license itself if DOE determines that:

(1) Such action is necessary because the Recipient or assignee has not taken or is not expected to take within a reasonable time, effective steps to achieve practical application of the subject invention in such field of use;

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

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

(4) Such action is necessary because the agreement required by paragraph (i) of this Patent Rights clause has not been obtained or waived or because a licensee of the exclusive right to use or sell any subject invention in the U.S. is in breach of such agreement.

(k) Special Provisions for Awards with Nonprofit Organizations

If the Recipient is a nonprofit organization, it agrees that:

(1) Rights to a subject invention in the U.S. may not be assigned without the approval of DOE, except where such assignment is made to an organization which has as one of its primary functions the management of inventions, provided that such assignee will be subject to the same provisions as the Recipient;

(2) The Recipient will share royalties collected on a subject invention with the inventor, including Federal employee co-inventors (when DOE deems it appropriate) when the subject invention is assigned in accordance with 35 U.S.C. 202(e) and 37 CFR 401.10;

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

(4) It will make efforts that are reasonable under the circumstances to attract licensees of subject inventions that are small business firms and that it will give preference to a small business firm if the Recipient determines that the small business firm has a plan or proposal for marketing the invention which, if executed, is equally likely to bring the invention to practical application as any plans or proposals from applicants that are not small business firms; provided that the Recipient is also satisfied that the small business firm has the capability and resources to carry out its plan or proposal. The decision whether to give a preference in any specific case will be at the discretion of the Recipient. However, the Recipient agrees that the Secretary of Commerce may review the Recipient's licensing program and decisions regarding small business applicants, and the Recipient will negotiate changes to its licensing policies, procedures or practices with the Secretary when the Secretary's review discloses that the Recipient could take reasonable steps to implement more effectively the requirements of this paragraph (k)(4).

(l) Communications

All communications required by this Patent Rights clause should be sent to the DOE Patent Counsel address listed in the Award Document.

(m) Electronic Filing

Unless otherwise Specified in the award, the information identified in paragraphs (f)(2) and (f)(3) may be electronically filed.

[End of clause]

STATEMENT OF PROJECT OBJECTIVES

Solazyme, Inc.
Recovery Act: Solazyme Integrated Biorefinery (SzIBR): Diesel Fuels from Heterotrophic Algae

A. PROJECT OBJECTIVES

Solazyme proposes to build, operate and optimize a pilot-scale "**Sola**z**yme** **I**ntegrated **Bio**refinery." SzIBR will demonstrate integrated scale-up of Solazyme's novel heterotrophic algal oil biomanufacturing process, validate the projected commercial-scale economics of producing multiple advanced biofuels, and enable Solazyme to collect the data necessary to complete design of the first commercial-scale facility.

Specific project objectives include:
- Expeditiously commence construction and operations.
- Integrate all process unit operations successfully into a unified biorefinery.
- Validate feasibility of low cost production at commercial scale.
- Demonstrate refining of the algal oil into fully-compliant liquid transportation fuels.
- Accelerate development of high-impact lignocellulosic feedstocks.
- Successfully complete the project on schedule.

B. PROJECT SCOPE

The scope of the proposed project encompasses (i) building, operating and optimizing a pilot-scale integrated biorefinery, (ii) cultivating fuel oil-producing algae, (iii) extracting and purifying oil from the algae, (iv) refining the algal oil to standard liquid transportation fuels, (v) optimizing fermentation parameters at both laboratory and pilot scale, and (vi) gathering data to assist in the design of subsequent demonstration and commercial facilities.

The project advances the goals of the DOE Biomass Program and accelerates the nation's ability to achieve the production targets mandated by the federal Renewable Fuel Standard (RFS).

C. TASKS TO BE PERFORMED

BUDGET PERIOD 1: PRELIMINARY ACTIVITIES

Task A: Complete Award 1 Activities

Task A.1: Selection Kick-Off Meeting (DOE Core)

Task A.2: Risk mitigation plan validation completed – Award 1 (DOE Core)

Task A.3: Complete NEPA process – Period 1

The expected result is a Categorical Exclusion or Finding of No Significant Impact.

Task A.4: Submission of Award 1 application (DOE Core)

Task A.5: Acceptance of Award 1 application (DOE Core)

Task A.6: CD-2 Approve Performance Baseline (DOE Core)

Task A.7: Release of Award 1 funds (DOE Core)

Task B: Complete Award 2 Activities

Task B.1: Risk mitigation plan validation completed – Award 2 (DOE Core)

Task B.2: NEPA approval to proceed (DOE Core)

Task B.3: Prepare manufacturing site:

Solazyme shall finalize and sign EPC contract (DOE Core), complete engineering drawings, submit permit applications, finalize specifications of equipment with vendors, finalize initial feedstock supply agreements, and update the safety plan for the manufacturing site. Upon completion of this Task, Solazyme will have completed all preparatory work at the project site including receipt of the environmental air permit and be ready to begin construction.

Task B.4: Define commissioning criteria (DOE Core)

Task B.5: Prepare research site

Solazyme shall obtain permits (expect none required) and update the safety plan for the research site.

Task B.6: Submit reports

Solazyme shall submit financial reports, including standard and Recovery Act status reports, and technical progress reports. Reports will be provided in accordance with the Federal Assistance Reporting Checklist following the instructions included therein.

B.7: Submission of Award 2 application (DOE Core)

B.8: Acceptance of Award 2 application (DOE Core)

B.9: CD-3 Approve Start of Construction (DOE Core)

B.10: Release of Award 2 funds (DOE Core)

BUDGET PERIOD 2: CONSTRUCTION AND OPERATION

Tasks C.1-C.7: Create and qualify pilot-scale SzIBR at manufacturing site

Solazyme shall submit purchase orders for all the necessary oil extraction and recovery equipment downstream of fermentation. Solazyme will clear space for equipment as needed, prepare utility connections and accept delivery of equipment. Solazyme shall also install, startup, test and qualify all equipment, train operators on new equipment and conduct start-up/safety inspection. Upon completion of this Task, the SzIBR facility will be mechanically complete and ready for shakedown.

Task C.8: CD-4: Start of Operation Approval – Initiate Shakedown (DOE Core)

Task C.9.1 – C9.4: Test and qualify facility:

Solazyme shall conduct initial fermentation-only runs to verify operation of the pre-existing fermentation infrastructure at the manufacturing site, as well as complete process flow runs. Upon completion of this Task, the SzIBR facility will be fully operational and ready to conduct

the major project campaigns specified in Task D.

C.9.5: Shakedown complete (DOE Core)

C.10: Commissioning – Start of commercial operation (DOE Core)

Task D: Operate SzIBR to optimize and demonstrate integrated process

Solazyme shall conduct a series of major campaigns through the entire integrated process flow at SzIBR , collect extensive process data, and optimize the process parameters. The expected outcome is the demonstration of key performance parameters (KPPs) that Solazyme has specified. These KPPs correspond to process productivity, yield, and efficiency metrics required to reach commercial cost objectives (when the process is transferred to a commercial-scale facility).

Solazyme shall facilitate an Independent Engineer Performance Test. The expected outcome is completion of the IEPT tests demonstrating the KPPs while exceeding the minimum feedstock throughput requirements.

Task E: Generate concentrated sugars derived from lignocellulosic feedstocks

Solazyme shall obtain sugar derived from lignocellulosic feedstocks via enzymatic processes and acid hydrolysis from subcontractors. The expected outcome is a quantity sufficient to conduct the work specified in Task D and Task F.

Task F: Optimize fermentation parameters at laboratory scale to support integrated pilot operations at SzIBR

Solazyme shall optimize the fermentation performance at laboratory scale in support of operations at SzIBR. The expected outcome is data that will guide pilot-scale operations.

Task G: Refine algal oil from SzIBR to standard liquid transportation fuels

Solazyme will deliver the purified algal oil generated in Task D to subcontractors that will refine the oil to standard liquid transportation fuels, including biodiesel and renewable diesel. The expected outcome is liquid transportation fuels that fully comply with all applicable standards.

Task H: Submit reports

Solazyme shall submit financial reports, including standard and Recovery Act status reports, annual reports and updated pro formas, as well as the Interim Final Technical Report, including property disposition and IP reports. Reports will be provided in accordance with the Federal Assistance Reporting Checklist following the instructions included therein.

DOE F 4600.2
(02/09)
All Other Editions Are Obsolete

U.S. Department of Energy
FEDERAL ASSISTANCE REPORTING CHECKLIST AND INSTRUCTIONS

1. Identification Number: DE -EE0002877.001	2. Program/Project Title: Recovery Act - Solazyme Integrated Biorefinery (SzIBR): Diesel Fuels from Heterotrophic Algae
3. Recipient: Solazyme, Inc.	

4. Reporting Requirements:	Form	Frequency	No. of Copies	Address
A. MANAGEMENT REPORTING				
☑ Progress Report		A		https://www.eere-pmc.energy.gov/SubmitReports.aspx
☑ Special Status Report (see special instructions)		A		
B. SCIENTIFIC/TECHNICAL REPORTING (Reports/Products must be submitted with appropriate DOE F 241. The forms are available at www.osti.gov/elink)				
Report/Product	Form			
☑ Final Scientific Report	DOE F 241.3	F		http://www.osti.gov/elink-2413
☑ Conference papers/proceedings*	DOE F 241.3	A		http://www.osti.gov/elink-2413
☑ Software/Manual	DOE F 241.4	A		http://www.osti.gov/estsc/241-4pre.jsp
☐ Other (see special instructions)	DOE F 241.3			
** Scientific and technical conferences only*				
C.FINANCIAL REPORTING				
☑ SF-425, Federal Financial Report		FQ		https://www.eere-pmc.energy.gov/SubmitReports.aspx
D. CLOSEOUT REPORTING				
☑ Patent Certification		F		https://www.eere-pmc.energy.gov/SubmitReports.aspx
☑ Property Certification		F		
☐ Other (see Special Instructions)				
E. OTHER REPORTING				
☑ Annual Indirect Cost Proposal		F Y		
☑ Annual Inventory of Federally Owned Property, If Any		F Y		
☑ Other (see special instructions)		A F Q		

FREQUENCY CODES AND DUE DATES:

A - Within 5 calendar days after events or as specified.

F - Final; 90 calendar days after expiration or termination of the award.

Y - Yearly; 90 days after the end of the reporting period.

S - Semiannually; within 30 days after end of the reporting period.

Q - Quarterly; within 30 days after end of the reporting period.

5. Special Instructions: The forms identified in the checklist are available at http://management.energy.gov/business_doe/business_forms.htm.

MANAGEMENT REPORTING

Special Instructions for the Progress Report: 1) The monthly progress report and financial spreadsheet templates will be forwarded to the Recipient after award. These reports are due within 30 days following the end of each month the project is active.

OTHER REPORTING

Special Instructions: 1) A Project Management Plan (PMP) is due to the Project Officer 30 days after award and should be revised on a yearly basis. An electronic template will be provided to the Recipient to complete or update as needed. 2) An Annual Technical and Financial Report must be developed and submitted to the DOE Project Officer after award and must be updated annually throughout the duration of the award. Subject to the availability of project funding, the Report will also be due annually for three (3) years after the facility is substantially completed. The schedule for submission will be established by the DOE Project Officer after award. The format of the report with instructions for completion, the electronic template for reporting data, and the schedule will be forwarded to the Recipient after award. 3) Comprehensive Annual Project Review - The Recipient will be required to present the Annual Technical and Financial Report at a Comprehensive Annual Project Review Meeting. The schedule for the Comprehensive Annual Project Review will be established by the DOE Project Officer after the award. AMERICAN RECOVERY AND REINVESTMENT ACT REPORTING: See the Special Terms and Conditions for Recovery Act reporting requirements, along with the following website: http:/www.federalreporting.gov. The required reports are due no later than ten calendar days after each calendar quarter in which the recipient receives the assistance award funded in whole or in part by the Recovery Act. Recipeints are to report according to ARRA reporting instructions.

A. MANAGEMENT REPORTING

Progress Report

The Progress Report must provide a concise narrative assessment of the status of work and include the following information and any other information identified under Special Instructions on the Federal Assistance Reporting Checklist:

1. The DOE award number and name of the recipient.

2. The project title and name of the project director/principal investigator.

3. Date of report and period covered by the report.

4. A comparison of the actual accomplishments with the goals and objectives established for the period and reasons why the established goals were not met.

5. A discussion of what was accomplished under these goals during this reporting period, including major activities, significant results, major findings or conclusions, key outcomes or other achievements. **This section should not contain any proprietary data or other information not subject to public release.** If such information is important to reporting progress, do not include the information, but include a note in the report advising the reader to contact the Principal Investigator or the Project Director for further information.

6. Cost Status. Show approved budget by budget period and actual costs incurred. If cost sharing is required break out by DOE share, recipient share, and total costs.

7. Schedule Status. List milestones, anticipated completion dates and actual completion dates. If you submitted a project management plan with your application, you must use this plan to report schedule and budget variance. You may use your own project management system to provide this information.

8. Any changes in approach or aims and reasons for change. Remember significant changes to the objectives and scope require prior approval by the contracting officer.

9. Actual or anticipated problems or delays and actions taken or planned to resolve them.

10. Any absence or changes of key personnel or changes in consortium/teaming arrangement.

11. A description of any product produced or technology transfer activities accomplished during this reporting period, such as:

    A. Publications (list journal name, volume, issue); conference papers; or other public releases of results.

    B. Web site or other Internet sites that reflect the results of this project.

    C. Networks or collaborations fostered.

D. Technologies/Techniques.

E. Inventions/Patent Applications.

F. Other products, such as data or databases, physical collections, audio or video, software or netware, models, educational aid or curricula, instruments or equipment.

Special Status Report

The recipient must report the following events as soon as possible after they occur:

1. Developments that have a significant favorable impact on the project.

2. Problems, delays, or adverse conditions which materially impair the recipient's ability to meet the objectives of the award or which may require DOE to respond to questions relating to such events from the public. The recipient must report any of the following incidents and include the anticipated impact and remedial action to be taken to correct or resolve the problem/condition:

   a. Any single fatality or injuries requiring hospitalization of five or more individuals.

   b. Any significant environmental permit violation.

   c. Any verbal or written Notice of Violation of any Environmental, Safety, and Health statutes or regulations.

   d. Any incident which causes a significant process or hazard control system failure.

   e. Any event which is anticipated to cause a significant schedule slippage or cost increase.

   f. Any damage to Government-owned equipment valued in excess of $50,000.

   g. Any other incident that has the potential for high visibility in the media.

B. SCIENTIFIC/TECHNICAL REPORTS

Final Scientific/Technical Report

Content. The final scientific/technical report must include the following information and any other information identified under Special Instructions on the Federal Assistance Reporting Checklist:

1. Identify the DOE award number; name of recipient; project title; name of project director/principal investigator; and consortium/teaming members.

2. Display prominently on the cover of the report any authorized distribution limitation notices, such as patentable material or protected data. Reports delivered without such notices may

be deemed to have been furnished with unlimited rights, and the Government assumes no liability for the disclosure, use or reproduction of such reports.

3. Provide an executive summary, which includes a discussion of 1) how the research adds to the understanding of the area investigated; 2) the technical effectiveness and economic feasibility of the methods or techniques investigated or demonstrated; or 3) how the project is otherwise of benefit to the public. The discussion should be a minimum of one paragraph and written in terms understandable by an educated layman.

4. Provide a comparison of the actual accomplishments with the goals and objectives of the project

5. Summarize project activities for the entire period of funding, including original hypotheses, approaches used, problems encountered and departure from planned methodology, and an assessment of their impact on the project results. Include, if applicable, facts, figures, analyses, and assumptions used during the life of the project to support the conclusions.

6. Identify products developed under the award and technology transfer activities, such as:

   a. Publications (list journal name, volume, issue), conference papers, or other public releases of results.

   b. Web site or other Internet sites that reflect the results of this project;

   c. Networks or collaborations fostered;

   d. Technologies/Techniques;

   e. Inventions/Patent Applications, licensing agreements; and

   f. Other products, such as data or databases, physical collections, audio or video, software or netware, models, educational aid or curricula, instruments or equipment.

7. For projects involving computer modeling, provide the following information with the final report:

   a. Model description, key assumptions, version, source and intended use;

   b. Performance criteria for the model related to the intended use;

   c. Test results to demonstrate the model performance criteria were met (e.g., code verification/validation, sensitivity analyses, history matching with lab or field data, as appropriate);

   d. Theory behind the model, expressed in non-mathematical terms;

   e. Mathematics to be used, including formulas and calculation methods;

   f. Whether or not the theory and mathematical algorithms were peer reviewed, and, if so, include a summary of theoretical strengths and weaknesses;

g. Hardware requirements; and

h. Documentation (e.g., users guide, model code).

Electronic Submission. The final scientific/technical report must be submitted electronically via the DOE Energy Link System (E-Link) at http://www.osti.gov/elink-2413.

Electronic Format. Reports must be submitted in the ADOBE PORTABLE DOCUMENT FORMAT (PDF) and be one integrated PDF file that contains all text, tables, diagrams, photographs, schematic, graphs, and charts.

Submittal Form. The report must be accompanied by a completed electronic version of DOE Form 241.3, "U.S. Department of Energy (DOE), Announcement of Scientific and Technical Information (STI)." You can complete, upload, and submit the DOE F.241.3 online via E-Link. You are encouraged not to submit patentable material or protected data in these reports, but if there is such material or data in the report, you must: (1) clearly identify patentable or protected data on each page of the report; (2) identify such material on the cover of the report; and (3) mark the appropriate block in Section K of the DOE F 241.3. Reports must not contain any limited rights data (proprietary data), classified information, information subject to export control classification, or other information not subject to release. Protected data is specific technical data, first produced in the performance of the award that is protected from public release for a period of time by the terms of the award agreement.

Protected Personally Identifiable Information (PII). Management Reports or Scientific/Technical Reports must not contain any Protected PII. PII is any information about an individual which can be used to distinguish or trace an individual's identity. Some information that is considered to be PII is available in public sources such as telephone books, public websites, university listings, etc. This type of information is considered to be Public PII and includes, for example, first and last name, address, work telephone number, e-mail address, home telephone number, and general educational credentials. In contrast, Protected PII is defined as an individual's first name or first initial and last name in combination with any one or more of types of information, including, but not limited to, social security number, passport number, credit card numbers, clearances, bank numbers, biometrics, date and place of birth, mother's maiden name, criminal, medical and financial records, educational transcripts, etc.

Conference Papers/Proceedings

Content. The recipient must submit a copy of any conference papers/proceedings, with the following information: (1) Name of conference; (2) Location of conference; (3) Date of conference; and (4) Conference sponsor.

Electronic Submission. Scientific/technical conference paper/proceedings must be submitted electronically via the DOE Energy Link System (E-Link) at http://www.osti.gov/elink-2413. Non-scientific/technical conference papers/proceedings must be sent to the URL listed on the Reporting Checklist.

Electronic Format. Conference papers/proceedings must be submitted in the ADOBE PORTABLE DOCUMENT FORMAT (PDF) and be one integrated PDF file that contains all text, tables, diagrams, photographs, schematic, graphs, and charts.

Submittal Form. Scientific/technical conference papers/proceedings must be accompanied by a completed DOE Form 241.3. The form and instructions are available on E-Link at http://www.osti.gov/elink-2413. This form is not required for non-scientific or non-technical conference papers or proceedings.

Software/Manual

Content. Unless otherwise specified in the award, the following must be delivered: source code, the executable object code and the minimum support documentation needed by a competent user to understand and use the software and to be able to modify the software in subsequent development efforts.

Electronic Submission. Submissions may be submitted electronically via the DOE Energy Link System (E-Link) at http://www.osti.gov/estsc/241-4pre.jsp They may also be submitted via regular mail to:

Energy Science and Technology Software Center
P.O. Box 1020
Oak Ridge, TN 37831

Submittal Form. Each software deliverable and its manual must be accompanied by a completed DOE Form 241.4 "Announcement of U.S. Department of Energy Computer Software." The form and instructions are available on E-Link at http://www.osti.gov/estsc//241-4pre.jsp.

C. FINANCIAL REPORTING

Recipients must complete the SF-425 as identified on the Reporting Checklist in accordance with the report instructions. A fillable version of the form is available at http://www.whitehouse.gov/omb/grants/grants_forms.aspx.

D. CLOSEOUT REPORTS

Final Invention and Patent Report

The recipient must provide a DOE Form 2050.11 , "PATENT CERTIFICATION." This form is available at http://www.directives.doe.gov/pdfs/forms/2050-11.pdf and http://management.energy.gov/business_doe/business_forms.htm.

Property Certification

The recipient must provide the Property Certification, including the required inventories of non-exempt property, located at http://management.energy.gov/business_doe/business_forms.htm.

E. OTHER REPORTING

Annual Indirect Cost Proposal and Reconciliation

Requirement. In accordance with the applicable cost principles, the recipient must submit an annual indirect cost proposal, reconciled to its financial statements, within six months after the close of the fiscal year, unless the award is based on a predetermined or fixed indirect rate (s), or a fixed amount for indirect facilities and administration (F&A) costs.

Cognizant Agency. The recipient must submit its annual indirect cost proposal directly to the cognizant agency for negotiating and approving indirect costs.

Annual Inventory of Federally Owned Property

Requirement. If at any time during the award the recipient is provided with Government-furnished property or aquires property with project funds and the award specifies that the property vests in the Federal Government (i.e. federally owned property), the recipient must submit an annual inventory of this property to the DOE Award Administrator identified in Block 12 of the Notice of Financial Assistance Award no later then October 30th of each calendar year, to cover an annual reporting period ending on the preceding September 30th.

Content of Inventory. The inventory must include a description of property, tag number, acquisition date, location of property, and acquisition cost, if purchased with project funds. The report must list all federally owned property, including property located at subcontractor's facilities or other locations.

ASSISTANCE AGREEMENT

1. Award No.	2. Modification No.	3. Effective Date	4. CFDA No.
DE-EE0002877		01/28/2010	81.087

5. Awarded To	6. Sponsoring Office	7. Period of Performance
SOLAZYME, INC. Attn: MATTHEW FROME 561 ECCLES AVE SOUTH SAN FRANCISCO CA 940801906	Golden Field Office U.S. Department of Energy Golden Field Office 1617 Cole Blvd. Golden CO 80401	01/28/2010 through 03/31/2013

8. Type of Agreement	9. Authority	10. Purchase Request or Funding Document No.
☐ Grant ☒ Cooperative Agreement ☐ Other	109-58, Energy Policy Act 2009 111-5, Recovery Act 2009	10EE002334

11. Remittance Address	12. Total Amount	13. Funds Obligated
SOLAZYME, INC. Attn: MATTHEW FROME 561 ECCLES AVE SOUTH SAN FRANCISCO CA 940801906	Govt. Share: $21,765,738.00 Cost Share : EX 4 Total :	This action: $21,765,738.00 Total : $21,765,738.00

14. Principal Investigator	15. Program Manager	16. Administrator
Anthony Day 650-780-4777	Carol Christine Sterner Phone: 303-275-4720	Golden Field Office U.S. Department of Energy Golden Field Office 1617 Cole Blvd. Golden CO 80401-3393

17. Submit Payment Requests To	18. Paying Office	19. Submit Reports To
OR for Golden U.S. Department of Energy Oak Ridge Financial Service Center P.O. Box 4517 Oak Ridge TN 37831		

20. Accounting and Appropriation Data
Biomass - IBR ARRA

21. Research Title and/or Description of Project
RECOVERY ACT - SOLAZYME INTEGRATED BIOREFINERY (SZIBR): DIESEL FUELS FROM HETEROTROPHIC ALGAE

For the Recipient		For the United States of America	
22. Signature of Person Authorized to Sign		25. Signature of Grants/Agreements Officer	
23. Name and Title CFO	24. Date Signed 2/9/10	26. Name of Officer Melissa Y. Wise	27. Date Signed 01/20/2010

Working Copy

CONTINUATION SHEET	REFERENCE NO. OF DOCUMENT BEING CONTINUED DE-EE0002877	PAGE 2 OF 3

NAME OF OFFEROR OR CONTRACTOR
SOLAZYME, INC.

ITEM NO. (A)	SUPPLIES/SERVICES (B)	QUANTITY (C)	UNIT (D)	UNIT PRICE (E)	AMOUNT (F)
	DUNS Number: 145862012 "Electronic signature or signatures as used in this document means a method of signing an electronic message that-- (A) Identifies and authenticates a particular person as the source of the electronic message; (B) Indicates such person's approval of the information contained in the electronic message; and, (C) Submission via FedConnect constitutes electronically signed documents." 1. This is a conditional award, comprised of this Assistance Agreement and the Special Terms and Conditions. Upon successful completion of negotiations, this award will be modified to lift its conditional status, to revise the Special Terms and Conditions, and to add additional attachments, such as Attachment 1, Intellectual Property Provisions; Attachment 2, Statement of Project Objectives; Attachment 3, Federal Assistance Reporting Requirements; and Attachment 4, Budget Information - Non Construction Programs. 2. The award was prepared using the proposed budget information in the Recipient¿s application. The Special Terms and Conditions, Provision 1 of the award states DOE will not release the funding obligated by this award until the Awardee submits a full application and subsequently requested supplemental information, the Contracting Officer reviews and approves the Awardee's application and supplemental information, and completion of negotiations. Performance against this award is, therefore, at the Recipient¿s own risk, and payments for costs incurred for the Recipient¿s project will not be made until completion of negotiations. 3. The administrative office for this award is 03601. The administrative office (administrative contracting activity) code is needed by the recipient for reporting to FederalReporting.gov concerning awards made with funding from the American Recovery and Reinvestment Act of 2009 (ARRA or Recovery Act). Recipients must report to FederalReporting.gov by the 10th day of each quarter. Continued ...				

CONTINUATION SHEET	REFERENCE NO. OF DOCUMENT BEING CONTINUED	PAGE	OF
	DE-EE0002877	3	3

NAME OF OFFEROR OR CONTRACTOR
SOLAZYME, INC.

ITEM NO (A)	SUPPLIES/SERVICES (B)	QUANTITY (C)	UNIT (D)	UNIT PRICE (E)	AMOUNT (F)
	4. A representative of the DOE office will contact the Recipient to request additional and/or revised information needed to supplement and clarify the Recipient's application, to complete the negotiations of an amended award. DOE Award Administrator: Molly Hames E-mail: molly.hames@go.doe.gov Phone: 303-275-4864 DOE Project Officer: Christy Sterner E-mail: christy.sterner@go.doe.gov Phone: 303-275-4720 Recipient Business Officer: Anthony Day E-mail: tday@solazyme.com Phone: 650-780-4777 Recipient Principal Investigator: Anthony Day E-mail: tday@solazyme.com Phone: 650-780-4777 ASAP: NO Extent Competed: COMPETED Davis-Bacon Act: YES Delivery Location Code: 03601 Golden Field Office U.S. Department of Energy Golden Field Office 1617 Cole Blvd. Golden CO 80401-3393 Payment: OR for Golden U.S. Department of Energy Oak Ridge Financial Service Center P.O. Box 4517 Oak Ridge TN 37831 Fund: 05794 Appr Year: 2009 Allottee: 31 Report Entity: 200835 Object Class: 41000 Program: 1004173 Project: 2004000 WFO: 0000000 Local Use: 0000000 TAS Agency: 89 TAS Account: 0331				

SPECIAL TERMS AND CONDITIONS

Table of Contents

Number	Subject	Page
1.	CONDITIONAL AVAILABILITY OF FUNDS	2
2.	RESOLUTION OF CONFLICTING CONDITIONS	2
3.	AWARD AGREEMENT TERMS AND CONDITIONS	2
4.	ELECTRONIC AUTHORIZATION OF AWARD DOCUMENTS	3
5.	AWARD PROJECT PERIOD	3
6.	INTELLECTUAL PROPERTY PROVISIONS	3
7.	COST SHARE	3
8.	REPORTING REQUIREMENTS	4
9.	PAYMENT PROCEDURES	5
10.	REBUDGETING AND RECOVERY OF INDIRECT COSTS	6
11.	INSOLVENCY, BANKRUPTCY OR RECEIVERSHIP	6
12.	NATIONAL ENVIRONMENTAL POLICY ACT (NEPA) REQUIREMENTS	7
13.	STATEMENT OF FEDERAL STEWARDSHIP	7
14.	SITE VISITS	7
15.	PUBLICATIONS	7
16.	FEDERAL, STATE, AND MUNICIPAL REQUIREMENTS	8
17.	LOBBYING RESTRICTIONS	8
18.	NOTICE REGARDING THE PURCHASE OF AMERICAN-MADE EQUIPMENT AND PRODUCTS -- SENSE OF CONGRESS	8
19.	SPECIAL PROVISIONS RELATING TO WORK FUNDED UNDER AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009 (May 2009)	9
20.	REPORTING AND REGISTRATION REQUIREMENTS UNDER SECTION 1512 OF THE RECOVERY ACT	13
21.	REQUIRED USE OF AMERICAN IRON, STEEL, AND MANUFACTURED GOODS – SECTION 1605 OF THE AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009	14
22.	RECOVERY ACT TRANSACTIONS LISTED IN SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND RECIPIENT RESPONSIBILITIES FOR INFORMING SUBRECIPIENTS	17
23.	WAGE RATE REQUIREMENTS UNDER SECTION 1606 OF THE RECOVERY ACT	17
24.	DAVIS BACON ACT AND CONTRACT WORK HOURS AND SAFETY STANDARDS ACT	18

SPECIAL TERMS AND CONDITIONS

1. CONDITIONAL AVAILABILITY OF FUNDS

a. Notwithstanding the obligation of funds shown on the Assistance Agreement Cover Page, the parties hereby agree that the availability of funds to the Awardee for payment of costs incurred by the Awardee is conditioned upon the Awardee's submission of a full application and any subsequently requested supplemental information, the Contracting Officer's review and approval of the Awardee's application and supplemental information, and completion of negotiations. No funds, therefore, shall be made available to the Awardee for payment, and DOE does not guarantee or assume any obligation to reimburse costs incurred by the Awardee during the negotiation process.

b. When the parties have completed negotiations of all terms and conditions for this award, the Contracting Officer will issue an amendment to this award making available the obligated amount for payment in accordance with the payment provisions contained in the Special Terms and Conditions. The Awardee may then receive payment for allowable costs incurred or recognize costs incurred toward cost share requirements, as applicable, in accordance with the negotiated payment provisions.

c. Failure by the Recipient to provide an application and any subsequently requested supplemental documentation which is acceptable to the Contracting Officer, or failure to complete negotiations will be deemed noncompliance pursuant to 10 CFR 600.24. Based on such noncompliance, the Contracting Officer may unilaterally terminate or suspend this award. In such case, the Awardee shall not be reimbursed for costs incurred at the Awardee's risk, as described in Paragraph a. above.

2. RESOLUTION OF CONFLICTING CONDITIONS

Any apparent inconsistency between Federal statutes and regulations and the terms and conditions contained in this award must be referred to the DOE Award Administrator for guidance.

3. AWARD AGREEMENT TERMS AND CONDITIONS

a. This award consists of the Assistance Agreement, plus the following:
   1) Special Terms and Conditions.
   2) Applicable program regulations.
   3) DOE Assistance Regulations, 10 CFR Part 600 at http://ecfr.gpoaccess.gov.
   4) If the award is for research and the award is for a university or non-profit, the Research Terms & Conditions and the DOE Agency Specific Requirements at http://www.nsf.gov/bfa/dias/policy/rtc/index.jsp apply.
   5) Application/proposal as approved by DOE.

6) National Policy Assurances to Be Incorporated as Award Terms in effect on date of award at http://management.energy.gov/business_doe/1374.htm.

b. When the parties have completed negotiations of all final special terms and conditions for this award, the Contracting Officer will issue an amendment and the following documents will be added to the award:
   1) Special Terms and Conditions.
   2) Attachments:

Attachment Number	Title
1.	Intellectual Property Provisions
2.	Statement of Project Objectives
3.	Federal Assistance Reporting Checklist and Instructions
4.	Budget Pages (SF 424A)

4. ELECTRONIC AUTHORIZATION OF AWARD DOCUMENTS

Acknowledgement of award documents by the Recipient's authorized representative through electronic systems used by the Department of Energy, specifically FedConnect, constitutes the Recipient's acceptance of the terms and conditions of the award. Acknowledgement via FedConnect by the Recipient's authorized representative constitutes the Recipient's electronic signature.

5. AWARD PROJECT PERIOD

The Project Period for this award is shown in the Assistance Agreement, Block 7, Period of Performance. The Project Period may be amended upon completion of negotiations.

6. INTELLECTUAL PROPERTY PROVISIONS

The intellectual property provisions applicable to this award will be incorporated by reference or included as Attachment 1 to the amended award, upon completion of negotiations.

7. COST SHARE

a. The Federal funds currently obligated on this award are shown in the Assistance Agreement, Blocks 12 and 13. The Federal funds and Recipient cost share may be amended upon completion of negotiations.

b. Total Estimated Project Cost is the sum of the Federal Government share and Recipient share of the estimated project costs. The Recipient's cost share must come from non-Federal sources unless otherwise allowed by law. By accepting Federal funds under this award, you agree that you are liable for your percentage share of total allowable project

costs, on a budget period basis, even if the project is terminated early or is not funded to its completion.

c. If you discover that you may be unable to provide cost sharing that is required upon completion of negotiations, the Recipient should immediately provide written notification to the DOE Award Administrator, indicating whether the Recipient will continue or phase out the project. If the Recipient plans to continue the project, the notification must describe how replacement cost sharing will be secured.

d. The Recipient must maintain records of all project costs that you claim as cost sharing, including in-kind costs, as well as records of costs to be paid by DOE. Such records are subject to audit.

e. Failure to provide the cost sharing required by this Article may result in the subsequent recovery by DOE of some or all the funds provided under the award.

8. REPORTING REQUIREMENTS

a. Requirements. The reporting requirements for this award will be identified on the Federal Assistance Reporting Checklist, DOE F 4600.2, and become Attachment 3 to an amended award upon completion of negotiations. (A sample checklist may be found at the following link: http://www.management.energy.gov/documents/DOEF46002PolicyVersion.pdf.)

Failure to comply with the reporting requirements will be considered a material noncompliance with the terms of the award. Noncompliance may result in withholding of future payments, suspension or termination of the current award, and withholding of future awards. A willful failure to perform, a history of failure to perform, or unsatisfactory performance of this and/or other financial assistance awards, may also result in a debarment action to preclude future awards by Federal agencies.

b. Dissemination of scientific/technical reports. Scientific/technical reports submitted under this award will be disseminated on the Internet via the DOE Information Bridge (www.osti.gov/bridge), unless the report contains patentable material, protected data or SBIR/STTR data. Citations for journal articles produced under the award will appear on the DOE Energy Citations Database (www.osti.gov/energycitations).

c. Restrictions. Reports submitted to the DOE Information Bridge must not contain any Protected Personal Identifiable Information (PII), limited rights data (proprietary data), classified information, information subject to export control classification, or other information not subject to release.

9. PAYMENT PROCEDURES

a. Method of Payment. Payment will be made by reimbursement through the Automated Clearinghouse (ACH) method of payment.

b. Requesting Reimbursement. Requests for reimbursements must be made electronically through Department of Energy's Oak Ridge Financial Service Center (ORFSC) ACH Vendor Inquiry Payment Electronic Reporting System (VIPERS). To access and use VIPERS, you must enroll at https://finweb.oro.doe.gov/vipers.htm. Detailed instructions on how to enroll are provided on the web site.

For non-construction awards, you must submit a Standard Form (SF) 270, "Request for Advance or Reimbursement," at https://finweb.oro.doe.gov/vipers.htm and attach a file containing appropriate supporting documentation. The file attachment must show the total Federal share claimed on the SF 270, the non-Federal share claimed for the billing period if cost sharing is required, and cumulative expenditures to date (both Federal and non-Federal) for each of the following categories: salaries/wages and fringe benefits; equipment; travel; participant/training support costs, if any; other direct costs, including subawards/contracts; and indirect costs. For construction awards, you must submit a SF 271, "Outlay Report and Request for Reimbursement for Construction Programs," through VIPERS.

c. Timing of submittals. Submittal of the SF 270 or SF 271 should coincide with your normal billing pattern, but not more frequently than every two weeks. Requests for reimbursement must be limited to the amount of disbursements made during the billing period for the Federal share of direct project costs and the proportionate share of any allowable indirect costs incurred during that billing period.

d. Adjusting payment requests for available cash. You must disburse any funds that are available from repayments to and interest earned on a revolving fund, program income, rebates, refunds, contract settlements, audit recoveries, credits, discounts, and interest earned on any of those funds before requesting additional cash payments from DOE.

e. Payments. The DOE approving official will approve the invoice as soon as practical, but not later than 30 days after your request is received, unless the billing is improper. Upon receipt of an invoice payment authorization from the DOE approving official, the ORFSC will disburse payment to you. You may check the status of payments at the VIPER web site. All payments are made by electronic funds transfer to the bank account identified on the ACH Vendor/Miscellaneous Payment Enrollment Form (SF 3881) that you filed.

10. REBUDGETING AND RECOVERY OF INDIRECT COSTS

a. If actual allowable indirect costs are less than those budgeted and funded under the award, the Awardee may use the difference to pay additional allowable direct costs during the project period. If at the completion of the award the Government's share of total allowable costs (i.e., direct and indirect), is less than the total costs reimbursed, the Awardee must refund the difference.

b. Awardees are expected to manage their indirect costs. DOE will not amend an award solely to provide additional funds for changes in indirect cost rates. DOE recognizes that the inability to obtain full reimbursement for indirect costs means the Awardee must absorb the underrecovery. Such underrecovery may be allocated as part of the organization's required cost sharing.

11. INSOLVENCY, BANKRUPTCY OR RECEIVERSHIP

a. The Awardee shall immediately notify the DOE Administrator identified on the Assistance Agreement Cover Page of the occurrence of any of the following events: (i) the Awardee, or the Awardee's parent's filing of a voluntary case seeking liquidation or reorganization under the Bankruptcy Act; (ii) the Awardee's consent to the institution of an involuntary case under the Bankruptcy Act against the Awardee or its parent; (iii) the filing of any similar proceeding for or against the Awardee or its parent, or its consent to, the dissolution, winding-up or readjustment of its debts, appointment of a receiver, conservator, trustee, or other officer with similar powers over the Awardee, under any other applicable state or federal law; or (iv) the Awardee's insolvency due to its inability to pay its debts generally as they become due.

b. Such notification shall be in writing and shall: (i) specifically set out the details of the occurrence of an event referenced in paragraph (a); (ii) provide the facts surrounding that event; and (iii) provide the impact such event will have on the project being funded by this award.

c. Upon the occurrence of any of the four events described in the first paragraph, DOE reserves the right to conduct a review of the award to determine the Awardee's compliance with the required elements of the award (including such items as cost share, progress towards technical project objectives, and submission of required reports). If a DOE review determines that there are significant deficiencies or concerns with the Awardee's performance under the award, DOE reserves the right to impose additional requirements, as needed, including (i) change the Awardee payment method; or (ii) institute payment controls.

d. Failure of the Awardee to comply with this provision may be considered by the Contracting Officer to be a material noncompliance of this financial assistance award.

12. NATIONAL ENVIRONMENTAL POLICY ACT (NEPA) REQUIREMENTS

The Awardee and any of its subawardees are restricted from taking any action using Federal funds, which would have an adverse affect on the environment or limit the choice of reasonable alternatives prior to DOE providing either a NEPA clearance or a final NEPA decision regarding this project. If the Awardee moves forward with activities that are not authorized by the Contracting Officer for federal funding by the DOE under this award, in advance of negotiations, to include DOE initiating the NEPA process, the Awardee is doing so at risk of deobligation of federal funding and such costs may not be recognized as allowable cost share.

If this award includes construction activities, the Awardee must submit an environmental evaluation report/evaluation notification form addressing NEPA issues prior to DOE initiating the NEPA process.

13. STATEMENT OF FEDERAL STEWARDSHIP

DOE will exercise normal Federal stewardship in overseeing the project activities performed under this award. Stewardship activities include, but are not limited to, conducting site visits; reviewing performance and financial reports; providing technical assistance and/or temporary intervention in unusual circumstances to correct deficiencies which develop during the project; assuring compliance with terms and conditions; and reviewing technical performance after project completion to ensure that the award objectives have been accomplished.

14. SITE VISITS

DOE's authorized representatives have the right to make site visits at reasonable times to review project accomplishments and management control systems and to provide technical assistance, if required. The Awardee must provide, and must require its subawardees to provide, reasonable access to facilities, office space, resources, and assistance for the safety and convenience of the DOE and any other government representatives in the performance of their duties. All site visits and evaluations will be performed in a manner that does not unduly interfere with or delay the work.

15. PUBLICATIONS

a. The Awardee is encouraged to publish or otherwise make publicly available the results of the work conducted under the award.

b. An acknowledgment of Federal support and a disclaimer must appear in the publication of any material, whether copyrighted or not, based on or developed under this project, as follows:

Acknowledgment: "This material is based upon work supported by the Department of Energy [National Nuclear Security Administration] [add name(s) of other agencies, if applicable] under Award Number(s) [enter the award number(s)]."

Disclaimer: "This report was prepared as an account of work sponsored by an agency of the United States Government. Neither the United States Government nor any agency thereof, nor any of their employees, makes any warranty, express or implied, or assumes any legal liability or responsibility for the accuracy, completeness, or usefulness of any information, apparatus, product, or process disclosed, or represents that its use would not infringe privately owned rights. Reference herein to any specific commercial product, process, or service by trade name, trademark, manufacturer, or otherwise does not necessarily constitute or imply its endorsement, recommendation, or favoring by the United States Government or any agency thereof. The views and opinions of authors expressed herein do not necessarily state or reflect those of the United States Government or any agency thereof."

16. FEDERAL, STATE, AND MUNICIPAL REQUIREMENTS

The Awardee must obtain any required permits and comply with applicable federal, state, and municipal laws, codes, and regulations for work performed under this award.

17. LOBBYING RESTRICTIONS

By accepting funds under this award, the Awardee agrees that none of the funds obligated on the award shall be expended, directly or indirectly, to influence congressional action on any legislation or appropriation matters pending before Congress, other than to communicate to Members of Congress as described in 18 U.S.C. 1913. This restriction is in addition to those prescribed elsewhere in statute and regulation.

18. NOTICE REGARDING THE PURCHASE OF AMERICAN-MADE EQUIPMENT AND PRODUCTS -- SENSE OF CONGRESS

It is the sense of the Congress that, to the greatest extent practicable, all equipment and products purchased with funds made available under this award should be American-made.

19. SPECIAL PROVISIONS RELATING TO WORK FUNDED UNDER AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009 (May 2009)

Preamble

The American Recovery and Reinvestment Act of 2009, Pub. L. 111-5, (Recovery Act) was enacted to preserve and create jobs and promote economic recovery, assist those most impacted by the recession, provide investments needed to increase economic efficiency by spurring technological advances in science and health, invest in transportation, environmental protection, and other infrastructure that will provide long-term economic benefits, stabilize State and local government budgets, in order to minimize and avoid reductions in essential services and counterproductive State and local tax increases. Recipients shall use grant funds in a manner that maximizes job creation and economic benefit.

The Recipient shall comply with all terms and conditions in the Recovery Act relating generally to governance, accountability, transparency, data collection and resources as specified in Act itself and as discussed below.

Recipients should begin planning activities for their first tier subrecipients, including obtaining a DUNS number (or updating the existing DUNS record), and registering with the Central Contractor Registration (CCR).

Be advised that Recovery Act funds can be used in conjunction with other funding as necessary to complete projects, but tracking and reporting must be separate to meet the reporting requirements of the Recovery Act and related guidance. For projects funded by sources other than the Recovery Act, Contractors must keep separate records for Recovery Act funds and to ensure those records comply with the requirements of the Act.

The Government has not fully developed the implementing instructions of the Recovery Act, particularly concerning specific procedural requirements for the new reporting requirements. The Recipient will be provided these details as they become available. The Recipient must comply with all requirements of the Act. If the recipient believes there is any inconsistency between ARRA requirements and current award terms and conditions, the issues will be referred to the Contracting Officer for reconciliation.

Definitions

For purposes of this clause, Covered Funds means funds expended or obligated from appropriations under the American Recovery and Reinvestment Act of 2009, Pub. L. 111-5. Covered Funds will have special accounting codes and will be identified as Recovery Act funds in the grant, cooperative agreement or TIA and/or modification using Recovery Act funds. Covered Funds must be reimbursed by September 30, 2015.

Non-Federal employer means any employer with respect to covered funds -- the contractor, subcontractor, grantee, or recipient, as the case may be, if the contractor, subcontractor, grantee, or recipient is an employer; and any professional membership organization, certification of other professional body, any agent or licensee of the Federal government, or any person acting directly

or indirectly in the interest of an employer receiving covered funds; or with respect to covered funds received by a State or local government, the State or local government receiving the funds and any contractor or subcontractor receiving the funds and any contractor or subcontractor of the State or local government; and does not mean any department, agency, or other entity of the federal government.

Recipient means any entity that receives Recovery Act funds directly from the Federal government (including Recovery Act funds received through grant, loan, or contract) other than an individual and includes a State that receives Recovery Act Funds.

Special Provisions

A. Flow Down Requirement

Recipients must include these special terms and conditions in any subaward.

B. Segregation of Costs

Recipients must segregate the obligations and expenditures related to funding under the Recovery Act. Financial and accounting systems should be revised as necessary to segregate, track and maintain these funds apart and separate from other revenue streams. No part of the funds from the Recovery Act shall be commingled with any other funds or used for a purpose other than that of making payments for costs allowable for Recovery Act projects.

C. Prohibition on Use of Funds

None of the funds provided under this agreement derived from the American Recovery and Reinvestment Act of 2009, Pub. L. 111-5, may be used by any State or local government, or any private entity, for any casino or other gambling establishment, aquarium, zoo, golf course, or swimming pool.

D. Access to Records

With respect to each financial assistance agreement awarded utilizing at least some of the funds appropriated or otherwise made available by the American Recovery and Reinvestment Act of 2009, Pub. L. 111-5, any representative of an appropriate inspector general appointed under section 3 or 8G of the Inspector General Act of 1988 (5 U.S.C. App.) or of the Comptroller General is authorized --

(1) to examine any records of the contractor or grantee, any of its subcontractors or subgrantees, or any State or local agency administering such contract that pertain to, and involve transactions that relate to, the subcontract, subcontract, grant, or subgrant; and

(2) to interview any officer or employee of the contractor, grantee, subgrantee, or agency regarding such transactions.

E. Publication

An application may contain technical data and other data, including trade secrets and/or privileged or confidential information, which the applicant does not want disclosed to the public or used by the Government for any purpose other than the application. To protect such data, the applicant should specifically identify each page including each line or paragraph thereof containing the data to be protected and mark the cover sheet of the application with the following Notice as well as referring to the Notice on each page to which the Notice applies:

Notice of Restriction on Disclosure and Use of Data
The data contained in pages ---- of this application have been submitted in confidence and contain trade secrets or proprietary information, and such data shall be used or disclosed only for evaluation purposes, provided that if this applicant receives an award as a result of or in connection with the submission of this application, DOE shall have the right to use or disclose the data here to the extent provided in the award. This restriction does not limit the Government's right to use or disclose data obtained without restriction from any source, including the applicant.

Information about this agreement will be published on the Internet and linked to the website www.recovery.gov, maintained by the Accountability and Transparency Board. The Board may exclude posting contractual or other information on the website on a case-by-case basis when necessary to protect national security or to protect information that is not subject to disclosure under sections 552 and 552a of title 5, United States Code.

F. Protecting State and Local Government and Contractor Whistleblowers.

The requirements of Section 1553 of the Act are summarized below. They include, but are not limited to:

Prohibition on Reprisals: An employee of any non-Federal employer receiving covered funds under the American Recovery and Reinvestment Act of 2009, Pub. L. 111-5, may not be discharged, demoted, or otherwise discriminated against as a reprisal for disclosing, including a disclosure made in the ordinary course of an employee's duties, to the Accountability and Transparency Board, an inspector general, the Comptroller General, a member of Congress, a State or Federal regulatory or law enforcement agency, a person with supervisory authority over the employee (or other person working for the employer who has the authority to investigate, discover or terminate misconduct), a court or grant jury, the head of a Federal agency, or their representatives information that the employee believes is evidence of:

- gross management of an agency contract or grant relating to covered funds;
- a gross waste of covered funds;
- a substantial and specific danger to public health or safety related to the implementation or use of covered funds;
- an abuse of authority related to the implementation or use of covered funds; or
- as violation of law, rule, or regulation related to an agency contract (including the competition for or negotiation of a contract) or grant, awarded or issued relating to covered funds.

Agency Action: Not later than 30 days after receiving an inspector general report of an alleged reprisal, the head of the agency shall determine whether there is sufficient basis to conclude that the non-Federal employer has subjected the employee to a prohibited reprisal. The agency shall either issue an order denying relief in whole or in part or shall take one or more of the following actions:

- Order the employer to take affirmative action to abate the reprisal.
- Order the employer to reinstate the person to the position that the person held before the reprisal, together with compensation including back pay, compensatory damages, employment benefits, and other terms and conditions of employment that would apply to the person in that position if the reprisal had not been taken.
- Order the employer to pay the employee an amount equal to the aggregate amount of all costs and expenses (including attorneys' fees and expert witnesses' fees) that were reasonably incurred by the employee for or in connection with, bringing the complaint regarding the reprisal, as determined by the head of a court of competent jurisdiction.

Nonenforceablity of Certain Provisions Waiving Rights and remedies or Requiring Arbitration: Except as provided in a collective bargaining agreement, the rights and remedies provided to aggrieved employees by this section may not be waived by any agreement, policy, form, or condition of employment, including any predispute arbitration agreement. No predispute arbitration agreement shall be valid or enforceable if it requires arbitration of a dispute arising out of this section.

Requirement to Post Notice of Rights and Remedies: Any employer receiving covered funds under the American Recovery and Reinvestment Act of 2009, Pub. L. 111-5, shall post notice of the rights and remedies as required therein. (Refer to section 1553 of the American Recovery and Reinvestment Act of 2009, Pub. L. 111-5, www.Recovery.gov, for specific requirements of this section and prescribed language for the notices.).

G. Reserved.

H. False Claims Act

Recipient and sub-recipients shall promptly refer to the DOE or other appropriate Inspector General any credible evidence that a principal, employee, agent, contractor, sub-grantee, subcontractor or other person has submitted a false claim under the False Claims Act or has committed a criminal or civil violation of laws pertaining to fraud, conflict of interest, bribery, gratuity or similar misconduct involving those funds.

I. Information in Support of Recovery Act Reporting

Recipient may be required to submit backup documentation for expenditures of funds under the Recovery Act including such items as timecards and invoices. Recipient shall provide copies of backup documentation at the request of the Contracting Officer or designee.