

Schedule 36 (Intellectual Property Rights)

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Part A: Intellectual Property Rights (no ICT Services)

Option 1

1. General Provisions and Ownership of IPR

- 1.1. Any New IPR created under this Contract is owned by the Buyer.
- 1.2. Each Party keeps ownership of its own Existing IPR.
- 1.3. Where either Party acquires, by operation of law, ownership of Intellectual Property Rights that is inconsistent with Paragraphs 1.1 and 1.2, it must assign in writing the Intellectual Property Rights concerned to the other Party on the other Party's request (whenever made).
- 1.4. Neither Party has the right to use the other Party's IPR, including any use of the other Party's names, logos or trademarks, except as expressly granted elsewhere under this Contract or otherwise agreed in writing.
- 1.5. Except as expressly granted elsewhere under this Contract, neither Party acquires any right, title or interest in or to the IPR owned by the other Party or any third party.
- 1.6. Unless otherwise agreed in writing, the Supplier and the Buyer will record any New IPR in the table at Annex 1 to this Schedule and keep this updated throughout the Contract Period.
- 1.7. If the Supplier becomes aware at any time, including after the earlier of the End Date or date of termination, that, in respect of any Deliverable, the Buyer has not received the licences to Supplier Existing IPRs or Third Party IPRs required by Paragraphs 2 and 4, the Supplier must, within 10 Working Days notify the Buyer:
 - 1.7.1. the specific Intellectual Property Rights the Buyer has not received licences to; and
 - 1.7.2. the Deliverables affected.
- 1.8. For the avoidance of doubt:
 - 1.8.1. except as provided for in Paragraphs 2.3.2.2(c)(1) or 4.1.2.2 and 4.1.2.3, the expiry or termination of this Contract does not of itself terminate the licences granted to the Buyer under Paragraphs 2 and 4;
 - 1.8.2. the award of this Contract or the ordering of any Deliverables does not constitute an authorisation by the Crown under:
 - 1.8.2.1. sections 55 and 56 of the Patents Act 1977;

1.8.2.2. section 12 of the Registered Designs Act 1949; or

1.8.2.3. sections 240 to 243 of the Copyright, Designs and Patents Act 1988.

2. Licences in respect of Supplier Existing IPR

2.1. The Supplier grants the Buyer a Supplier Existing IPR Licence on the terms set out in Paragraph 2.3 in respect of each Deliverable where:

2.1.1. the Supplier Existing IPR is embedded in the Deliverable;

2.1.2. the Supplier Existing IPR is necessary for the Buyer to use the Deliverable for its intended purpose; or

2.1.3. the Deliverable is a customisation or adaptation of Supplier Existing IPR.

2.2. The categories of Supplier Existing IPR described in Paragraph 2.1 are mutually exclusive.

2.3. The Supplier Existing IPR Licence granted by the Supplier to the Buyer is a non-exclusive, perpetual, royalty-free, irrevocable, transferable, sub-licensable, worldwide licence that:

2.3.1. in the case of Supplier Existing IPR embedded in a Deliverable:

2.3.1.1. has no restriction on the identity of any transferee or sub-licensee;

2.3.1.2. allows the Buyer and any transferee or sub-licensee to use, copy and adapt the Supplier Existing IPR for any of the purposes set out in Paragraph 2.4; and

2.3.1.3. is subject to the restriction that no sub-licence granted to the Supplier Existing IPR shall purport to provide the sub-licensee with any wider rights than those granted to the Buyer under this Paragraph;

2.3.2. in the case of Supplier Existing IPR that is necessary for the Buyer to use the Deliverable for its intended purpose or has been customised or adapted to provide the Deliverable:

2.3.2.1. allows the Buyer and any transferee or sublicensee to use and copy, but not adapt, disassemble or reverse engineer the relevant Supplier Existing IPRs for any of the purposes set out in Paragraph 2.4;

2.3.2.2. is transferrable to only:

- (a) a Crown Body;
- (b) any body (including any private sector body) that performs or carries out any of the functions or activities that the Buyer had previously performed or carried out; or
- (c) a person or organisation that is not a direct competitor of the Supplier and that transferee either:
 - (1) enters into a direct arrangement with the Supplier in the form set out in Annex 2; or
 - (2) enters into a confidentiality arrangement with the Buyer in terms equivalent to those set out in set out in Clause 19 (What you must keep confidential);

2.3.2.3. is sub-licensable to the Replacement Supplier (including where the Replacement Supplier is a competitor of the Supplier) where the Replacement Supplier either:

- (a) enters into a direct arrangement with the Supplier in the form set out in Annex 2; or
- (b) enters into a confidentiality arrangement with the Buyer in terms equivalent to those set out in set out in Clause 19 (What you must keep confidential); and

2.3.2.4. is subject to the restriction that no sub-licence granted to the Supplier Existing IPR shall purport to provide the sub- licensee with any wider rights than those granted to the Buyer under this Paragraph.

2.4. For the purposes of Paragraph 2.3, the relevant purposes are:

- 2.4.1. to allow the Buyer or any End User to receive and use the Deliverables;
- 2.4.2. to allow the Buyer to commercially exploit (including by publication under Open Licence) the New IPR and New IPR Items; and
- 2.4.3. for any purpose relating to the exercise of the Buyer's (or, if the Buyer is a Public Sector Body, any other Public Sector Body's) business or function.

3. Licences granted by the Buyer

3.1. The Buyer grants the Supplier a licence to the New IPR and Buyer Existing IPR that:

- 3.1.1. is non-exclusive, royalty-free and non-transferable;
 - 3.1.2. is sub-licensable to any Sub-contractor where:
 - 3.1.2.1. the Sub-contractor enters into a confidentiality undertaking with the Supplier on the same terms as set out in Clause 19 (What you must keep confidential); and
 - 3.1.2.2. the sub-licence does not purport to provide the sub-licensee with any wider rights than those granted to the Supplier under this Paragraph;
 - 3.1.3. allows the Supplier and any sub-licensee to use, copy and adapt any Buyer Existing IPR and New IPR for the purpose of fulfilling its obligations under this Contract; and
 - 3.1.4. terminates at the end of the Contract Period or the end of any Termination Assistance Period, whichever is the later.
- 3.2. When the licence granted under Paragraph 3.1 terminates, the Supplier must, and must ensure that each Sub-contractor granted a sub-licence under Paragraph 3.1.2:
- 3.2.1. immediately cease all use of the Buyer Existing IPR and New IPR (including the Government Data within which the Buyer Existing IPR or New IPR may subsist);
 - 3.2.2. either:
 - 3.2.2.1. at the discretion of the Buyer, return or destroy documents and other tangible materials that contain any of the Buyer Existing IPR, New IPR and the Government Data; or
 - 3.2.2.2. if the Buyer has not made an election within six months of the termination of the licence, destroy the documents and other tangible materials that contain any of the Buyer Existing IPR, the New IPR and the Government Data (as the case may be); and
 - 3.2.3. ensure, so far as reasonably practicable, that any Buyer Existing IPR, New IPR and Government Data held in electronic, digital or other machine-readable form ceases to be readily accessible from any computer, word processor, voicemail system or any other device of the Supplier.

4. Licences in respect of Third-party IPR

- 4.1. The Supplier shall not use in the delivery of the Deliverables any Third Party IPR unless:

4.1.1. Approval is granted by the Buyer; and

4.1.2. one of the following conditions is met:

4.1.2.1. the owner or an authorised licensor of the relevant Third Party IPR has granted a direct Third Party IPR Licence on the terms set out in Paragraph 4.2;

4.1.2.2. if the Supplier cannot, after commercially reasonable endeavours, obtain for the Buyer a Third Party IPR licence as set out in Paragraph 4.1.2.1, all the following conditions are met:

(a) the Supplier has notified the Buyer in writing giving details of:

(1) what licence terms can be obtained from the relevant third party; and

(2) whether there are providers which the Supplier could seek to use and the licence terms obtainable from those third parties;

(b) the Buyer has agreed to accept the licence terms of one of those third parties; and

(c) the owner and authorised licensor of the Third Party IPR has granted a direct licence of the Third Party IPR to the Buyer on those terms; or

4.1.2.3. the Buyer has provided authorisation to the use of the Third Party IPR in writing, with reference to the acts authorised and the specific IPR involved.

4.2. The Third Party IPR licence referred to in Paragraph 4.1 is the licence set out in Paragraph 2.3 as if:

4.2.1. the term Third Party IPR were substituted for the term Supplier Existing IPR; and

4.2.2. the term third party were substituted for the term Supplier,
in each place they occur.

5. Open Licence Publication

n/a

6. Patents

- 6.1. Where a patent owned by the Supplier is infringed by the use of the New IPR by the Buyer or any Replacement Supplier, the Supplier hereby grants to the Buyer and the Replacement Supplier a non-exclusive, irrevocable, royalty-free, worldwide patent licence to use the infringing methods, materials or software.

ANNEX 1: NEW IPR AND SPECIALLY WRITTEN SOFTWARE

Name of New IPR	Details