

§ 1171.9 Confidential commercial information.

(a) *In general.* The NEH will not disclose confidential commercial information in response to a FOIA request, except as described in this section.

(b) *Definitions.* For purposes of this section:

(1) *Confidential commercial information* means commercial or financial information obtained by the NEH from a submitter that may be protected from disclosure under Exemption 4 of the FOIA.

(2) *Submitter* means any person or entity from whom the NEH obtains confidential commercial information, directly or indirectly. The term includes corporations; state, local, and tribal governments; and foreign governments.

(c) *Designation of confidential commercial information.* A submitter of confidential commercial information will use good-faith efforts to designate by appropriate markings, either at the time of submission or at a reasonable time thereafter, any portions of its submission that it considers to be protected from disclosure under Exemption 4. These designations will expire ten years after the date of the submission unless the submitter requests, and provides justification for, a longer designation period.

(d) *When notice to submitters is required.* (1) The NEH will give notice to a submitter whenever:

(i) The submitter, in good faith, has designated the requested information as information considered protected from disclosure under Exemption 4; or

(ii) The NEH has reason to believe that the information may be protected from disclosure under Exemption 4.

(2) The notice will either describe the confidential commercial information requested or include copies of the requested records or record portions containing the information. In cases involving a voluminous number of submitters, the NEH may make notice by posting or publishing the notice in a place reasonably likely to accomplish it.

(e) *Exceptions to submitter notice requirements.* The notice requirements of this section will not apply if:

(1) The NEH determines that the requested information is exempt under the FOIA;

(2) The information lawfully has been published or has been officially made available to the public;

(3) Disclosure of the information is required by statute (other than the FOIA) or by a regulation issued in accordance with the requirements of Executive Order 12600 of June 23, 1987; or

(4) The designation made by the submitter under paragraph (c) of this section appears obviously frivolous, except that, in such a case, the NEH will give the submitter written notice of any final

decision to disclose the information within a reasonable number of days prior to a specified disclosure date.

(f) *Opportunity to object to disclosure.* (1) The NEH will specify a reasonable time period within which the submitter must respond to the notice described in paragraph (d)(2) of this section. If a submitter has any objection to disclosure, it must submit a detailed written statement to the NEH specifying all grounds for withholding any portion of the information under any exemption of the FOIA. If the submitter relies on Exemption 4 as a basis of nondisclosure, the submitter must explain why the information constitutes a trade secret, or commercial or financial information that is privileged or confidential.

(2) The NEH will consider a submitter who fails to respond with the time period specified on the notice to have no objection to disclosure of the information. The NEH will not consider information it receives from a submitter after the date of any disclosure decision. Any information provided by a submitter under this section may itself be subject to disclosure under the FOIA.

(g) *Notice of intent to disclose.* The NEH will consider a submitter's objections and specific grounds for nondisclosure in deciding whether to disclose confidential commercial information. Whenever the NEH decides to disclose confidential commercial information over the objection of a submitter, the NEH will provide the submitter written notice, which will include:

(1) A statement of the reason(s) why each of the submitter's disclosure objections was not sustained;

(2) A description of the business information to be disclosed; and

(3) A specified disclosure date, which will be a reasonable time after the notice.

(h) *Notice of FOIA lawsuit.* Whenever a requester files a lawsuit seeking to compel the disclosure of confidential commercial information, the NEH will promptly notify the submitter.

(i) *Requester notification.* The NEH will notify the requester whenever the NEH provides the submitter with notice and an opportunity to object to disclosure; whenever the NEH notifies the submitter of its intent to disclose the requested information; and whenever a submitter files a lawsuit to prevent the disclosure of the information.