

Boston College
Intellectual
Property

Introduction

Boston College, as an institution of higher learning, has two primary academic aims: to share existing knowledge with its students and to engage in research and scholarly activities. The products of scholarly and research efforts often have social and commercial implications. These products may, therefore, be of benefit to the individuals involved, to the University, and to society. This Policy governs the protection and administration of intellectual property developed in support of the University's mission.

Boston College recognizes that commercially valuable intellectual property may arise in the course of research and other activities involving the use of University resources and facilities. The purpose of this Policy is to define the conditions of ownership, legal protection, development, and licensing of intellectual property conceived or first reduced to practice by any Boston College employee, or student, or any individual using Boston College facilities. Under this Policy, intellectual property can be managed so as to further the University's mission and maximize benefits to the University, inventors, authors, and the public.

This Policy applies to all persons employed by Boston College, all Boston College undergraduate and graduate students, and all persons using Boston College facilities, including, but not limited to, visiting scholars and scientists, visiting and adjunct faculty, and postdoctoral researchers.

Definitions

For purposes of this Policy, the following definitions apply:

Author is a person who creates a work protected by copyright.

Conflict Avoidance Statement is a document to be executed by an Inventor, the Office of Research Integrity, and OTTL that describes how the Inventor will adhere to the University's conflict of interest policies in connection with a proposed license agreement involving the Inventor's Invention(s).

Copyright is a form of protection the law provides to the authors of "original works of authorship" for their intellectual works that are "fixed in any tangible medium of expression," both published and unpublished. Examples of works that are protected by copyright include books, periodicals, software, musical or dramatic works, pictorial or other artistic works, and audiovisual works. Copyright arises upon the creation of the work and includes a bundle of rights: the right to reproduce the work; the right to distribute copies of it; the right to prepare derivative works based on the work; and the right to make public performances or displays of the work.

Coursework is work product resulting from activities required for course credit.

Database is a collection of independent works, data or other materials arranged in a systematic or methodical way and individually accessible by electronic or other means.

Equity is rights of ownership in an enterprise, including shares of stock or securities, stock options, membership interests in a limited liability company, warrants, or any other rights to purchase stock,

securities, membership interests, or other ownership rights in an enterprise.

Equity Pool is the total allotment of equity negotiated by the University as consideration for a license of the University's interest in an Invention.

Executive Committee consists of the General Counsel, Vice Provost for Research, Provost, Financial Vice President & Treasurer, and the Executive Vice President or their designees. The committee provides oversight to the University Office for Technology Transfer and Licensing, including periodic review of the progress of intellectual property development at the University, including invention disclosures, patent applications, and licensing activity, and approves any changes to this Policy.

Intellectual Property is a creation of the mind or intellect, the ownership of which is recognized and protected by law. It includes any patentable invention, tangible research property, works protected by copyright, trademarks, trade secrets, works of art, and inventions or creations that might normally be developed on a proprietary basis.

Invention is a new or useful process or discovery, art, method, technique, product, machine, device manufacture, software, composition of matter, or improvement thereof that is subject to protection by patent.

Invention Disclosure Forms are forms that report and describe a new Invention, signed by the Inventor(s).

Inventor is any individual who makes an Invention under this Policy.

Licensing Costs are all the administrative, marketing, patent, and legal costs relating to the Intellectual Property being licensed.

Net Equity Income is the proceeds realized by the University from the dividends or sale of equity received by the University in a licensing agreement, net of Licensing Costs.

OTTL is the University Office for Technology Transfer and Licensing, which manages the disclosure, management, and commercialization of intellectual property under this Policy.

Patent is a grant issued by the United States or a foreign patent office that gives an inventor, or the entity to whom the inventor has assigned ownership rights, the right to exclude others from making, using, or selling the invention within the country within which the patent is issued.

Proceeds are all compensation of whatever kind received from the sale, license, or other transfer of Intellectual Property rights by the University to a third party. This includes, but is not limited to, percentage payments, up-front fees, milestone payments, shares of stock, and any other financial or in-kind consideration.

Software includes mathematical codes, programs, instructions, routines, and other functions that control the functioning and operation of a computer or data processing system. Software may be protected by patent, copyright, or trade secret.

Sponsored Project Agreement (SPA) is a contract between the University and a sponsoring organization that sets the terms and conditions for the conduct of a faculty research or training

project. A SPA typically includes a description of the work to be performed and the terms of payment, and stipulates the ownership of intellectual property, publication rights, and other legal assurances.

Substantial Resources include substantial University financial support, staff, or other support, including the use of University facilities and resources, that exceeds the norm typically used for educational and research purposes by similarly situated individuals in the department and/or school in which the Inventor or Author holds his or her primary appointment or is enrolled as a student. The University generally will not regard academic year salary, student financial aid, office space, ordinary library resources, usual administrative staff resources, or usual computer equipment as constituting Substantial Resources, unless these resources are made available specifically to support the development of specific materials to be used for University purposes. Certain resources or facilities made available specifically to support student academic activities may fall outside this definition, at the discretion of the Vice Provost for Research.

Tangible Research Property (TRP) is comprised of research results in their tangible physical form, and includes, but is not limited to, biological organisms, compositions of matter, instruments, machines, devices, and other property that can be physically distributed. Tangible Research Property may also have intellectual property rights associated with it, for example, compositions of matter which are patented.

Trademark is a word, name, symbol, or design (or any combination) adopted by an organization to identify its goods and services and distinguish them from the goods and services of others.

University Research Council (URC) consists of faculty members appointed by the Vice Provost for Research and provides advice to the Vice Provost for Research and Provost on issues that affect research at the University. The URC (or an appointed sub-committee of the URC), in addition to other responsibilities stated in this Policy, advises the Vice Provost for Research regarding (a) the interpretation of the terms of this Policy; and (b) recommending changes or exceptions.

Work-for-hire is any intellectual property created by an individual for the use and ownership by the University and any works protected by copyright that are developed by an employee within the scope of his or her employment, except as provided otherwise under this Policy with respect to certain works of faculty.

Patentable Inventions

This Policy section addresses the ownership of Inventions; the assignment of rights associated with such ownership; the disclosure of Inventions; and the licensing of commercial rights in Inventions. Inventors working on projects funded by SPAs should be aware that the licensing of rights in an Invention may be affected by the terms of the SPAs.

Ownership of Inventions

1. All rights in any Invention that results from activities related to an individual's employment responsibilities or conducted with support, in whole or in part, from University-administered funds, facilities, or personnel, including student employees, shall be assigned to and owned by the University.
2. All rights in an Invention that results from activities unrelated to an individual's employment responsibilities or University research (including such individual's research conducted under the

auspices of the University) and that is developed without University funds, resources, or facilities shall be owned by the Inventor. Ownership of rights in an Invention developed in the course of, or resulting from, work supported, in whole or in part, by a grant or contract with a governmental entity or a nonprofit or for-profit nongovernmental entity, is determined in accordance with the terms of the grant or contract, which shall provide that the rights shall be owned by the University. In the absence of such terms, the rights shall be assigned to and owned by the University.

3. With respect to students, all rights in Inventions developed as part of Coursework shall remain with the Inventor(s) unless (a) the Invention was an improvement of an Invention in which the University holds the intellectual property rights; (b) a University faculty member or other University employee was a co-Inventor of the Invention; (c) Substantial Resources were used to develop or reduce the Invention to practice; or (d) the development of the invention was supported, in whole or in part, by an SPA or other agreement under which a third party may have rights in the Intellectual Property rights in the Invention. In certain cases, third-party support, including materials, funds, or other support, may be provided to support courses (such as industrial arts design, engineering, or design thinking courses) or student activities. In such cases, the University may own or have rights to any student Inventions or other Intellectual Property developed in connection with such courses or activities, either under the terms of the agreement between the University and the third party, or where such support is considered a Substantial Resource. Such determinations shall be made by the Vice Provost for Research, in consultation with the Provost as appropriate. Students may be required to execute assignments or other agreements in connection with such outside support.

Disclosure, Assignment, and Protection

1. All faculty members, students, and others working on SPA's, including, but not limited to, visiting scientists, visiting scholars and post-doctoral researchers as applicable, must sign the University's Intellectual Property Agreement, which shall be in a form approved by the Office of the General Counsel, as well as any assignment and other documents that may be requested by OTTL. Faculty must assure that others working under their supervision, including students, sign the IPA so as to avoid disputes over ownership and control of Intellectual Property arising from a research project.
2. All Inventors must promptly disclose to OTTL any discovery, Invention, possible Invention, or potentially useful Tangible Research Property (TRP) the Inventor has conceived or reduced to practice and has reason to believe might be useful, patentable, or otherwise protectable. The disclosure is to be made using the University's Invention Disclosure Form maintained by OTTL, which must be signed by all of the Inventors and submitted to OTTL.
3. OTTL is responsible for reviewing all Invention Disclosure Forms, evaluating the Invention's patentability and potential commercial value, and endeavoring in good faith to provide a preliminary report to the Inventor within 60 days. OTTL shall seek internal or external advice and assistance as needed to conduct an appropriate evaluation of each disclosure.
4. OTTL is responsible for determining whether the University should seek patent protection for an Invention. Such determinations are based on an assessment of the respective Invention's commercial value and other relevant factors, and are reported to the Executive Committee on a periodic basis. When the failure to patent is based solely upon lack of funds, any Dean or Director may commit discretionary funds to patent an Invention, and, should it be licensed, may recover the costs upon receipt of proceeds. No Inventor of University-owned Intellectual Property can require the University to have an Invention patented. However, an Inventor may seek patent protection of such Invention if the University has waived its ownership rights, pursuant to this Policy, and it is able to obtain, on behalf of the Inventor, any waivers that may be required from

funding sponsors.

5. The right to publish the results of research remains inviolate, subject only to the terms of a grant or SPA funding the work, which may require pre-publication review or other temporary restrictions. Because any public disclosure of an Invention, such as a presentation, publication, or abstract, prior to filing a patent application may limit patent rights and reduce an Invention's commercial value, Inventors must disclose their Inventions to the University by submitting an Invention Disclosure Form to OTTL prior to publicly disclosing the Invention in manuscripts, abstracts, or other publications. Inventors should contact OTTL prior to submission of a research proposal if they believe an Invention is described in the proposal and OTTL will work with the Inventor to determine if a patent application should be submitted prior to the proposal.

Licensing and Commercialization

1. License agreements that grant to commercial entities the rights to develop Inventions commercially are encouraged. OTTL is responsible for negotiating such agreements on behalf of the University within parameters established by, or otherwise with the approval of, the Executive Committee.
2. Whenever practicable, Inventors are advised and consulted on the progress of license negotiations, but in no event shall they be directly involved in negotiations, nor do they have a right to approve license agreements, including any right to approve payment or other terms of such agreements.
3. Inventors must avoid conflicts of interest and adhere to all applicable University conflict of interest policies in connection with University licensing transactions involving their Inventions. Without limiting the obligations of Inventors under other University policies, Inventors must disclose to OTTL all agreements, payments, financial and ownership interests, and paid and unpaid positions (including, without limitation, all board, advisory, and consulting roles) the Inventor has or has been offered by a prospective Licensee. These conflict of interest discussions are to take place at the earliest possible stages of the licensing discussions. OTTL will consult with the Office of Research Integrity to determine if a potential conflict of interest exists, in accordance with the Conflict of Interest in Research Policy and Procedures. If it is determined that a potential conflict exists, the University may require a conflict management plan, a Conflict Avoidance Statement, or other measures, such as limitations on the proposed license agreement or other related agreements, including any associated sponsored research agreement or consulting agreement.
4. Upon the award of a patent or the successful execution of a license, OTTL is responsible for notifying the Vice Provost for Research and the Dean(s) or department Chair(s) of the school or department of the Inventor(s).

Copyright

This Policy section addresses copyright ownership; the assignment of rights associated with copyright ownership; the disclosure of copyright; and the licensing of commercial rights in works protected by copyright. Boston College encourages the preparation and publication of works protected by copyright that result from teaching, research, and scholarly and artistic endeavors by members of the faculty, staff, and student body. The University affirms the right of faculty members to retain primary control over these works in most cases. Exceptions to this general rule includes works created under the terms of SPAs, works created through the use of Substantial Resources, and Works-for-hire.

Ownership of Copyright

1. In keeping with academic tradition, except to the extent required by the terms of any grant or SPA, and except as otherwise provided in paragraphs 2 through 6 below, the University does not claim copyright ownership in pedagogical, scholarly, or artistic works that are developed without Substantial Resources. These works generally include, but are not limited to, textbooks, refereed literature, and scholarly works created by students in the course of their education, such as dissertations, theses, papers, and journal articles. Works that are created as part of a faculty member's or student's independent research or scholarship that are developed without Substantial Resources are not owned by the University.
2. The University owns the copyright in all Works-for-hire and in certain works, including Software, Databases, and any other electronic media that are created for a nonacademic institutional purpose. These include all works that are created in the course of employment by non-faculty staff and students employed by the University.
3. The University owns the copyright in any works created or developed through the use of Substantial Resources. These include any works to which there have been simultaneous or sequential contributions over time by numerous faculty, staff, or students.
4. Websites and course materials give rise to special considerations under this Policy, particularly as the media and means of transmission of these materials continues to evolve. In many cases, websites and course materials, particularly those that are created with the assistance of University staff, including the Center for Digital Innovation in Learning and the Center for Teaching Excellence, will be owned by the University by virtue of the use of Substantial Resources in their development. Most websites involve the efforts of multiple individuals at the University, are created for an institutional purpose, are created with funds administered by the University, or are created under the name of the University or a department or other unit, implying the approval and endorsement of the University. The copyright in these websites will normally be held by the University and the University copyright notice must be included on each of these sites. In many cases, the copyright in individual content on a website may be retained by a faculty member under the provisions of paragraph 1 above, but faculty members are encouraged to consult with the Provost with respect to ownership in any website content prior to using the content for non-University purposes.
5. The University has a vital interest in how course materials, including recordings of course lectures, are disseminated. Even in those situations in which Substantial Resources are not used or when an individual faculty member or a department has developed a course or participated in its development, the University has a significant interest in protecting its right to determine the method and manner in which its educational programs and courses are offered to the public. Prior to making any course materials available to the general public or to a third party for the purpose of making the material available outside the University, the faculty member or Dean of the applicable school shall disclose the plans to the Provost for the Provost's review and approval.
6. The creation of certain works protected by copyright, including courses, multi-media presentations, Databases and Software for other institutions or organizations may place Authors in a conflict of interest with their responsibilities to the University. Therefore, prior to reaching any agreements concerning the creation of such works for other institutions or organizations, Authors shall discuss each potential arrangement with the Provost.
7. The Vice Provost for Research is responsible for making all determinations of copyright ownership under this Policy, including determining what constitutes Substantial Resources in any given case. Authors are encouraged to consult with the Vice Provost for Research in advance of creating any work in which the copyright may belong to the University under the terms of this Policy, other than works created through employment that are clearly Works-for-hire. The Vice Provost for Research shall consider a number of factors in determining copyright ownership,

including the resources provided by the University, the creative initiative and/or purpose for the work, and who controls the content and approves the work. Whether copyright in a work is held by the University depends upon the circumstances of its creation and its purpose rather than the form of the work's expression. Wherever possible, the Vice Provost for Research and the Author shall arrive at an agreement with respect to copyright ownership in advance of the creation of the work. In some cases, the Vice Provost for Research may determine that it is appropriate or necessary to require an Author to assign his or rights in a work to the University. In the event that an Author disagrees with the Vice Provost for Research's decision with respect to copyright ownership under this Policy, the matter will be referred to the Provost for final resolution.

8. In the event that the University enters into any agreement with a third party under which royalties or other payments are paid as compensation for rights granted in a work created by a faculty member, the revenue-sharing provisions of this Policy shall apply.

Authorship and Permissions

1. Collaborators on a work are joint Authors, as that term is defined under U.S. copyright law. Because joint ownership may create complex management problems and unintended results, it is recommended that the parties enter into agreements with each other to allocate rights and duties, including the proportional distribution of anticipated proceeds, prior to beginning the work.
2. All works in which the copyright is owned by the University must bear prominently the legend "© <year> Trustees of Boston College. All rights reserved."
3. Authors are responsible for securing all required permissions or licenses from third party copyright owners before reproducing, distributing, making a derivative work, or displaying works of those third parties, unless an exception under copyright exists. Authors must be aware that works that are publicly available on the Internet or elsewhere are protected by copyright. Authors must be prepared to document such permissions or licenses in the event questions arise. Whether a particular use constitutes "fair use" under U.S. copyright law can be difficult to ascertain. Assistance regarding questions of fair use and copyrights is provided by OTTL and the Office of the General Counsel.
4. The use of any University Trademark by any Author, other than using the name "Boston College" to identify the Author's affiliation with the University, requires the permission of the University. See Use of Boston College Indicia for additional information.

Disclosure and Licensing of Works under Copyright

1. Certain works protected by copyright that are owned by the University under this Policy may have commercial interest and be licensed to external parties by the University—in many cases these works include Software, Databases, websites, and other similar works. These works do not generally include Works-for-hire created by non-faculty employees in the course of their employment, unless the employee or the University wishes to commercialize the work or make it available to the public under a license. The licensing of any University-owned work protected by copyright to a third party must be approved by the cognizant Dean or Vice President, who shall consult with OTTL and the Office of the General Counsel. The licensing of certain works, including for example, core University software applications, may require the approval of the Executive Committee and/or the President.
2. In some cases, Authors who create works protected by copyright in which the Author retains ownership under this Policy may wish to commercialize the work using the resources of OTTL. In these cases, the Author should contact OTTL to discuss how best to proceed. The Author may be required to assign the copyright to the University or execute other agreements deemed

necessary by OTTL.

Software and Databases

1. Certain works, including Software and some Databases, may be protected by more than one form of Intellectual Property Rights, including both patent and copyright, and as such, warrant special consideration under this Policy. In the event that Software or a Database is created as part of the work under a grant or SPA, ownership of Intellectual Property Rights in the work will be determined by the grant or agreement. In such cases, the Software or Database will be treated as an Invention under this Policy for the purposes of disclosure, assessment, and licensing, whether or not the University elects to protect the work by patent or license it commercially. In all other cases, ownership in the Software or Database and disclosure obligations with respect to these works will be determined in accordance with the copyright provisions of this Policy.
2. Control and stewardship of data and information produced under a SPA will be governed by the University's current procedures with respect to sponsored project data. Any questions regarding these procedures should be directed to the Office for Research Integrity and Compliance and the Office of Sponsored Programs.

Tangible Research Property

1. Ownership of Tangible Research Property (TRP) normally resides with the University unless the TRP arises as a result of a grant or SPA, in which case the terms and conditions of the grant or SPA apply. Where the grant or SPA is silent, TRP is owned by the University.
2. All TRP that is potentially protected by patent or copyright shall be disclosed in accordance with the provisions of this Policy which govern such disclosures. Any TRP which the Inventor believes may not be protected by patent or copyright shall be disclosed to OTTL if: (a) the TRP may have utility for commercial purposes; (b) the Inventor wishes to provide the TRP to an individual or entity external to the University; or (c) disclosure of the TRP is required under a grant or SPA.
3. Principal investigators and laboratory directors are primarily responsible for the custody, care, and control of TRP, including its storage, use, and distribution.
4. Principal investigators may wish to make TRP available for others' research use. Scientific exchanges should not be inhibited by potential commercial considerations. However, prior to any transfers of TRP external to the University, an appropriate license or material transfer agreement must be executed by the Director of OTTL. Any requests received from external sources wishing to obtain TRP or associated intellectual property rights must be referred to OTTL.

Special Considerations for Inventions Discovered Under Federal Projects

1. Research funded by the federal government carries with it legal requirements for disclosure. The federal government requires the University to retain intellectual property to inventions created or reduced to practice under federal grants. Under federal regulations (37 CFR 401, et seq.), the University must report all such inventions to the funding agency and elect to file for a patent within a reasonable period of time. If the University elects not to file for a patent it must so inform the agency, which then has the right to file. Inventors must report all inventions on an Invention Disclosure Form, and provide a signed original form to OTTL for submission to the sponsoring agency.
2. Inventors whose inventive work is conducted under federal funding, regardless of amount, should be aware that the federal government retains a perpetual, nonexclusive license to all research results.

Distribution of Proceeds

Upon receipt of each royalty payment, license fee payment, lump-sum payment, or other payment of proceeds that results from the licensing or distribution of Intellectual Property owned by the University, the University shall first pay or reimburse itself with respect to all consulting, licensing, legal, marketing, and other direct invention-related expenses (which may include research funds and equipment) until all such costs are recovered. Following full direct cost recovery, the University shall thereafter retain 15% of each such payment to fund ongoing indirect costs, and shall distribute the remaining proceeds as follows:

Intellectual Property Licenses				
	Up to \$100,000	\$100,001 - \$499,999	\$500,000 - \$999,999	\$1,000,000 and Above
Inventor(s)/Authors(s)	50%	40%	35%	30%
Inventors'/Authors' Academic Unit	30%	35%	35%	40%
Provost	20%	25%	30%	30%

Tangible Research Property Transfer Agreements			
	Up to \$5,000	\$5,001 - \$10,000	\$10,001 and Above
Inventor(s)	100%	85%	50%
Provost	0%	15%	50%

1. Proceeds following cost recovery are to be distributed according to the Policy in effect at the time initial payments are received by the University from license and other agreements. The University reserves the right to determine the frequency of distribution.
2. The Inventors' share is normally shared equally among all Inventors unless they agree otherwise. Such agreements must be in writing via a Participation Agreement provided and maintained by OTTL. Any distribution paid pursuant to this Policy represents an employee benefit from the University to the recipient. Creators of Intellectual Property covered under this Policy should understand that the receipt of distributions may have income tax ramifications; accordingly, it is highly recommended that creators seek their own competent tax advice concerning the tax treatment of any income derived through the implementation of this Policy.
3. An Inventor may waive his or her personal share in order that the University retain the proceeds to support further the Inventor's research and research within the Inventor's department. The appropriate administrator of the Inventor's academic unit is to maintain control of all such proceeds and resulting expenditure requests. Inventors/Authors are advised to consult with personal tax advisors regarding the tax ramifications of such a waiver.
4. An Inventor's rights to distribution of payments under this Policy survive termination of the Inventor's employment at Boston College.
5. In cases of large sums of cumulative proceeds (i.e., greater than \$1 million), academic unit

administrators must arrange with the University for the dedication of their shares to create an endowment for support of their activities.

6. The academic unit administrator's and Provost's shares are used to support excellence in teaching and research, as appropriate, in such a way as to maximize the effect of such proceeds.
7. Notwithstanding the above, in some cases, the Vice Provost for Research may, at his or her discretion, propose to alter such distribution of proceeds if the alteration further advances the research mission of the University, including those cases in which individuals other than the named Inventors or Authors contributed to the Invention or work. Any alteration must be approved by the Inventors and the Executive Committee.

Waiver of University Rights

Process for Review

An Inventor or Author shall receive a preliminary evaluation of their disclosures of Intellectual Property within sixty (60) days of making a formal submission to OTTL. The evaluation shall indicate whether the University plans to seek patent protection for, license, or otherwise commercialize the intellectual property. If the intellectual property in question is not yet developed to the point at which its commercial potential can be determined, evaluation of the disclosure may be deferred and the Inventors or Authors will be so informed. The disclosure will then be re-evaluated by OTTL once further development has been successfully undertaken. If, upon final review, it is determined that a disclosure will not be patented, licensed, or otherwise commercialized by the University, the Inventors or Authors may request, in writing, that the University waive ownership rights. The Director of OTTL shall consider such request and, with the approval of the Vice Provost for Research, may waive the University's ownership rights in favor of the Inventor or Author, subject to any sponsored program requirements. Ownership rights will not be waived by the University in cases in which one or more of the following conditions apply: (a) federal regulations that govern the Intellectual Property prohibit such release; (b) the terms of any SPA under which the disclosure arose prohibit such release; or (c) release of the Intellectual Property in question would create an undue liability or risk to the University or otherwise compromise the University's interests.

Royalties to University

In consideration of the University contributions to support the work in which the Intellectual Property is developed, Inventors and Authors may be required, as a condition of the waiver, to grant back to the University fifteen percent (15%) of the royalties or any other revenues they receive as the result of any license or sale of said Intellectual Property. In addition, prior to retaining any such royalties or other revenues, Inventors and Authors must fully reimburse the University for any legal expenses, including patent costs, which the University incurred relating to the Intellectual Property.

Conditions to University's Waiver of Rights

All releases of the University's Intellectual Property incorporate the following terms and conditions whether or not this Policy is referenced in any documents evidencing or documenting such releases:

1. The Inventor must report annually to OTTL any licenses or other commercialization agreements entered into with respect to the particular Intellectual Property for the purpose of disclosure of potential conflicts of interest, as well as the date of the first sale of a product or process that results from the Intellectual Property.
2. The University retains a perpetual, nonexclusive, nontransferable, worldwide, royalty-free license to exercise rights under the Intellectual Property for research or educational purposes

3. The Inventor's licensees, sublicensees, and assignees must agree to defend, indemnify, and hold harmless the University, its trustees, officers, employees, and agents from all claims or demands made against them (and any related losses, expenses, or costs) arising out of the use of or conduct regarding the Intellectual Property.
4. The waiver creates no right of the Inventor and/or licensees to use, nor any interest whatever in, the University's technology or Trademarks, unless otherwise provided in the waiver. Any use by the Inventor or the Inventor's licensee(s) of the University's name or other Trademarks may be made only with the written permission of the Office of the General Counsel.
5. The Inventor's rights under the waiver are subject to any U.S. government purpose rights under 35 USC §202(c)(4) and any march-in rights under 35 USC §203.

Policy on Equity

Procedures Governing Equity Transactions

License in Consideration of Equity

The University's purpose in commercializing Intellectual Property is to promote the development of inventions and works to serve the public interest. If, after a diligent effort to identify prospective licensees, OTTL determines that it is appropriate and in keeping with the public interest to accept Equity as full or partial consideration for a license, it may negotiate such a license on behalf of the University. The equity provisions of the license agreement, together with any documents relevant to the University's acceptance of Equity, shall be reviewed in advance by the Office of General Counsel, who may determine that review by the Executive Committee is appropriate. As with any license, OTTL is to be satisfied that the licensee can demonstrate management and technical capability and that it has the financial resources necessary to meet its developmental objectives and its obligations to the University. OTTL may accept Equity in the licensee on behalf of the University in lieu of or in combination with royalties, license fees, or other fees, provided that the Equity together with any other consideration represents a fair value for the technology. OTTL shall include in each license measures of performance that must be met in order to maintain the license granted by the University.

Board Participation and Fiduciary Roles

The University shall exercise due care in evaluating whether to accept a position on the board of directors of the licensee, but may more routinely accept and exercise observer rights on such boards. The decision to accept a position on a licensee's board of directors must have the approval of the Executive Committee. Participation of the Inventor/Author in the business of the licensee shall be governed by the University's Conflicts of Interest in Research Policy and Procedures, and/or any other applicable conflict of interest policy of the University.

Disclosure of Equity

The University will require the prospective licensee to disclose all Equity offered to the University, its employees, and other institutions or individuals in consideration for the license agreement. In addition, the prospective licensee will be required to disclose to OTTL, in writing, the specific terms and conditions associated with such Equity, and the anticipated capital structure of the venture. Furthermore, the prospective licensee and the Inventor/Author must disclose to OTTL, in writing, any Equity to be issued to the Inventor/Author for his or her role as founder, consultant, or otherwise.

Direct Personal Ownership of Equity

The University generally will require that the Equity provided to the Inventor/Author from the Equity

Pool be issued directly to the Inventor/Author at the time the Equity is issued. The Inventor/Author share of the Equity Pool is 30%. The Inventor/Author is responsible for all financial, tax, and legal consequences related to the Equity he or she receives and for retaining his or her own business advisors, legal counsel, and tax counsel. An Inventor/Author receiving Equity from the Equity Pool or from the licensee shall not be entitled to any share of the University's Net Equity Income.

Management of Equity

The Financial Vice President and Treasurer of the University shall manage the Equity and determine, at his or her discretion, if Equity shall be sold and, if sold, when such Equity shall be sold. The Financial Vice President and Treasurer is under no obligation to sell the Equity. If Equity is sold by the University, the proceeds of the sale are to be transferred to the University. Costs associated with the sale of Equity shall be deducted from the proceeds, and the balance of the Net Equity Income shall be distributed between the Academic Unit and Provost as determined by the Executive Committee to advance research at the University in accordance with the requirements of the Bayh-Dole Act. In cases of large sums of cumulative proceeds (i.e., greater than \$1 million), academic unit administrators must arrange with the University for the dedication of their shares to create an endowment for support of their activities.

Approved: William P. Leahy, S.J.

Date: January 27, 2022 rev