

Child Mind Institute Policy on Intellectual Property

I. Purpose

Child Mind Institute, Inc. and Child Mind Medical Practice, PLLC (together, “CMI”) is committed to ensuring that CMI’s intellectual property has the greatest chance of helping children and families struggling with mental health and learning disorders. CMI is also committed to creating maximum value from its intellectual property to support further scientific research at CMI. The purpose of this policy is to promote and encourage the creation of such intellectual property while also providing clarity regarding ownership, rights and obligations and fair allocation of the associated financial costs and rewards. To that end, CMI will make every effort, as appropriate, to protect and exploit CMI’s intellectual property and will pursue patents, licenses, and other opportunities that encourage the development and commercialization thereof.

These efforts include a thorough review of each disclosure of Intellectual Property (as defined below), submission of timely patent applications, securing funding as needed for further technology development, marketing Intellectual Property to potential licensees, identifying and facilitating start-up opportunities, and executing license agreements that include fair and reasonable financial terms.

II. Definitions

A. *Intellectual Property*

For the purposes of this Policy, “Intellectual Property (IP)” shall include inventions, discoveries (and any patent application or patent thereon) and know-how, whether patentable or not, copyrightable materials, computer software, tangible research property, trade secrets, and trademarks.

B. *CMI Personnel*

“CMI Personnel” shall include all full- and part-time employees, directors, officers, members, post-doctoral researchers, fellows, externs, interns, graduate students, and volunteers engaged by or associated with CMI.

A “CMI Inventor” shall be the CMI Personnel listed on the patent or patent application associated with an invention that is CMI IP.

A “CMI Developer” shall be the CMI Personnel primarily responsible for developing copyrightable materials such as software, tangible research property or other know-how that is CMI IP.

An “Other CMI Creator” shall be a CMI Personnel, other than a CMI Inventor or CMI Developer, who has contributed substantially, in the sole determination of the Vice President of Research, to the development of CMI IP.

C. CMI Intellectual Property

Any IP conceived, reduced to practice, or developed by CMI Personnel in the course of, pursuant to, or as a consequence of, their activities at, or on behalf of, CMI shall be considered “CMI IP.” CMI IP shall also include all IP resulting from the use of CMI facilities, resources, or administered funds or from any work ordered or commissioned by CMI. CMI IP shall also include all such IP that is reduced to practice during and up to one year following the termination of the CMI Personnel’s association with CMI. CMI IP shall also include any “work for hire” or other IP created for CMI by any third party.

III. Ownership of CMI Intellectual Property

All rights to any CMI IP shall be the sole property of CMI. CMI IP shall be owned by CMI unless and until expressly released in writing by the President and reported in writing to the Board of Directors.

IV. Responsibility of Disclosure

All CMI Personnel are required to promptly disclose all CMI IP to the Vice President of Research using the CMI Invention Disclosure Form, attaching all supportive scientific, technological, and other related information.

V. Evaluation, Protection and Commercialization of Intellectual Property

A. Evaluation

The Vice President of Research will review all disclosures of CMI IP in order to, among other things, determine the potential commercial value of the CMI IP. When, in the judgment of CMI, there appears to be sound basis for pursuing commercialization of the CMI IP, CMI will, in its discretion and at its expense, take necessary steps to protect it. If the disclosing CMI Personnel disagree(s) with a decision not to protect CMI IP, the disclosing CMI Personnel may appeal such decision to the Executive Director.

B. Protection

i. Patent

When CMI decides to seek patent protection for CMI IP, the General Counsel will, or will retain patent counsel to, prepare, file, and prosecute patent applications in conformance with applicable patent law and procedures. The CMI Inventor(s) will cooperate fully with CMI in defining the rights

to such CMI IP and in the preparation and prosecution of any patent application. The General Counsel will coordinate any interaction between the CMI Inventor(s) and patent counsel. The inventor(s) listed on a patent application will be determined according to patent law, as naming the wrong inventor(s) may jeopardize the validity of a patent. The individual contributions of each CMI Inventor must be the subject of specific claims in the patent application.

ii. Copyright

Copyright protection is in place the moment a work is created and the work is fixed in a tangible form. There is no obligation to register a work. In some cases, it will be appropriate to register a copyright to reduce the likelihood of infringement and increase CMI's potential to recover damages and expenses from infringements. Notice of a copyright should always be given to the public when a work is published, as follows:

© 2019 Child Mind Institute, Inc. All rights reserved.

The notice should be adjusted to the year in which the work is first published.

The author(s), CMI, and/or the sponsor(s) are sometimes requested to relinquish rights to copyrighted articles submitted to scholarly and professional journals. If the author(s), CMI, or the sponsor(s) are to retain title or other rights to copyright of the material in these cases, advance arrangements, approved by the General Counsel, should be made with the publisher.

All computer software should contain the following notice:

© 2019 Child Mind Institute, Inc. All rights reserved. The computer program contained herein is the property of Child Mind Institute, Inc. and cannot be reproduced, copied, or used without written consent of Child Mind Institute, Inc.

The notice should be adjusted to the year in which the software is first published.

If the software is in source code form, this notice should appear in the file headers. If the software is in a binary or executable form, the notice should be included: on the first screen that appears when the software is engaged or, if not appropriate, in an About or similar menu item made available from the home page; in the documentation for the software; on the web page from which the software is made available for download.

The prior written permission of the Vice President of Research is required for the distribution of any CMI software to anyone outside of CMI, including but not limited to distribution of software in source or object code form from a webpage. Among other things, proper disclaimers are required to limit CMI's liability for any code that may be made available to third parties.

iii. Trademark

A trademark or service mark includes any word, name, symbol, or any combination thereof, used, or intended to be used, to identify and distinguish the goods or services of one provider from those of others. A trademark or service mark also indicates the source of the goods or services. For example, “Child Mind Institute” and “Transforming Children’s Lives” are registered marks of CMI. The General Counsel will coordinate registering trademarks and service marks and obtaining protection as necessary.

C. Commercialization

i. Marketing

CMI shall identify and evaluate potential and preferred licensees (e.g. companies, investors) for CMI IP development and commercialization. CMI shall also generate and disseminate marketing materials and work with CMI Personnel to identify appropriate venues to present CMI IP.

CMI Personnel must obtain prior written approval from the Vice President of Research and the Director of Marketing and Communications before creating an external facing website containing or displaying CMI IP or other proprietary information.

ii. Licensing

In the licensing, sale, or other disposition of CMI IP rights, CMI shall seek the best and fairest deal it can obtain through good faith negotiations on behalf of CMI. This includes, but is not limited to, reasonable financial terms such as license fees, royalties, milestone payments and equity as appropriate. The General Counsel will negotiate and approve all license agreements.

CMI Personnel shall not (a) license, sell, or otherwise commit or dispose of CMI IP or (b) sign confidentiality agreements, license agreements, material transfer agreements, research agreements, or any other agreements that may restrict, commit or affect CMI IP unless such action is approved in advance and in writing by the Vice President of Research and the General Counsel.

iii. Release of Ownership Rights

CMI may determine that neither the potential contribution to the public good nor commercial possibilities warrant managing or pursuing specific CMI IP. In this event the disclosing CMI Personnel may request a license to such CMI IP, or the reassignment of rights. If such license or reassignment of rights is approved, the CMI Personnel will assume all future expenses related to the CMI IP, pay a portion of any future revenues resulting therefrom to CMI, and allow CMI to retain a license for its own purposes.

VI. Income Sharing

All income derived from CMI IP shall be distributed in accordance with the following guidelines:

A. Cumulative Gross Proceeds

Cumulative Gross Proceeds shall mean the sum total of all license fees, milestone payments, prizes, awards, royalties and proceeds from sale of stock or equity, paid to CMI or to CMI Personnel at any time for a particular licensed CMI IP, less all costs incurred that are attributable to such CMI IP, including but not limited to patent prosecution expenses, copyright or trademark registration fees, and other legal fees, and out-of-pocket costs for the marketing, licensing, or administration of such CMI IP. Cumulative Gross Proceeds shall not include payments for research support, value of materials supplied, reimbursed patent expenses, or other specific reimbursements of expenses or costs.

Any Cumulative Gross Proceeds from CMI IP shall first be assigned to CMI, unless determined otherwise in writing by the President. Any Cumulative Gross Proceeds from CMI IP shall then be distributed as follows:

- 25% CMI Inventor(s)/CMI Developer(s)
- 5% Other CMI Creator(s); if none, then CMI General
- 15% CMI Administration
- 10% CMI Research – Responsible Laboratory; if none, then CMI General
- 20% CMI Research – General
- 25% CMI General

The portion distributed to CMI General will be considered institutional revenue, to be used in accordance with organizational priorities and policies.

Any stock or equity will be held by CMI and will be managed and sold in CMI's discretion according to procedures that ensure that decisions to sell are made at arm's length from any CMI Personnel.

For the avoidance of doubt, Cumulative Gross Proceeds distributions shall be paid to applicable CMI Personnel regardless of their status at CMI or elsewhere at the time of distribution. Distributions payable to CMI Research will not follow individuals leaving CMI, but will be paid to the Responsible Laboratory or, if no such laboratory remains, to CMI Research – General.

B. Other Income

For the avoidance of doubt, any other income, such as payments to support collaborative work in the development of CMI IP, research support, patent expenses, and license management fees, will be considered institutional revenue, to be used in accordance with organizational priorities and

policies.

C. Limits on Distribution

Any distribution by CMI to CMI Personnel shall be reasonable and not excessive. If the CMI Personnel is a director, officer, or other individual with substantial influence over CMI, the distribution will comply with the restrictions on excess benefit transactions contained in Section 4958 of the Internal Revenue Code of 1986, as amended.

D. Distribution among CMI Personnel

If there are multiple CMI Inventors/CMI Developers, their share of Cumulative Gross Proceeds will be distributed among them according to a written allocation agreement executed by the CMI Inventors/CMI Developers and approved by the Vice President of Research. If there is no written allocation agreement, all CMI Inventors/CMI Developers will receive equal portions of the CMI Inventors/CMI Developers share. In the case of disputes or unusual circumstances, the distribution among CMI Inventors/CMI Developers will be determined by the Vice President of Research.

If there are multiple Other CMI Creators, the distribution among the Other CMI Creators will be determined by the Vice President of Research.

E. Income Sharing Agreements with Third Parties

All agreements related to CMI IP will be negotiated by the General Counsel. CMI Personnel should notify the Vice President of Research if he or she becomes aware of a proposed agreement (or a proposed amendment to an existing agreement) that has not been negotiated and entered into by the General Counsel but is with an entity that is or may become involved with CMI in a license transaction concerning the relevant CMI IP.

Should a CMI Personnel have the right to receive compensation directly or indirectly from such an entity through said agreement or amendment, the Vice President of Research will determine whether this would be consistent with the interests of CMI. If, in his or her sole discretion, the Vice President of Research determines that such an agreement would be inconsistent with CMI's interests, it will recommend appropriate action to the Executive Director. Such action may include adjustment of the shares of CMI and the CMI Personnel of the Cumulative Gross Proceeds. The Executive Director's decision regarding the recommendation will supersede any inconsistent provisions set forth herein.

F. Time of Payment

Each CMI Personnel's share in the Cumulative Gross Proceeds shall be calculated and paid, to the extent practicable (as determined by CMI), within three months of the

receipt of funds by CMI.

G. Abandoned Cumulative Gross Proceeds

If, after diligent efforts, CMI has been unable to deliver to a CMI Personnel his or her share of Cumulative Gross Proceeds for three consecutive years, such money will become the property of CMI and will be treated in the same manner as CMI treats its own shares of Cumulative Gross Proceeds. If the CMI Personnel subsequently claims his or her share of Cumulative Gross Proceeds, CMI will resume distributing his or her share from the time when such claim is made.

VII. Related Matters

A. Sponsored and Collaborative Research, Foundation Grants, and Federal Grants

In cases of sponsored or collaborative research and clinical trials, special arrangements regarding IP may be necessary. CMI may have certain obligations to a funding source (e.g. sharing of income from IP) when a grant from such funding source results in the generation of IP. IP arising from sponsored or collaborative research and clinical trials may result in additional obligations to the funding source. The source of funding used to create IP must be disclosed on the Invention Disclosure Form.

IP arising from research funded by U.S. government agencies will be controlled by the terms of the applicable grant or contract and statutes, specifically the Bayh-Dole Act of 1980. All licenses granted for such IP will also be subject to these terms. Grants from the NIH, and generally those from other government agencies, require CMI to disclose all patentable IP to the funding agency. CMI may then elect to retain ownership of patents issued for such IP, subject to rights retained by the government such as (i) a nonexclusive license to use the IP for its own purposes and (ii) the right to “march in” and license such patents. The government also requires that preference be given to small businesses, and that patented products be manufactured substantially in the U.S.

B. Delay of Publication

Public disclosure prior to the filing of a patent application could prevent CMI from securing IP rights. CMI Personnel must notify the Vice President of Research in writing in advance of any type of public disclosure (e.g. abstracts, texts, posters, scientific presentations, contests, competitions) that is related to CMI IP. For example, if a CMI Personnel plans to present an abstract at a conference, CMI needs to have received all such information in advance of the date on which the abstract will be published online, so that CMI can file a patent application before such public disclosure, if warranted.

C. Conflict of Interest

A CMI Personnel may have a financial conflict of interest when he or she receives or has the potential to receive income or equity from or in a for-profit entity which is granted rights to CMI IP. The General Counsel will work with CMI Personnel to manage such conflicts. CMI Personnel should regularly review and ensure they comply with CMI's Conflict of Interest and Disclosure Policy, Code of Ethics, and Employee Handbook.

D. Participation Agreement

All CMI Personnel must sign the CMI Participation Agreement and return his/her completed agreement to Human Resources. Failure to sign the Participation Agreement does not, however, affect the applicability of this Policy.

E. Consulting Activities

In certain cases, where approved in writing in advance, CMI employees may provide consulting services to outside organizations, provided that such activities conform with CMI's Conflict of Interest and Disclosure Policy and Employee Handbook. Employees who provide consulting services have a responsibility to ensure that these services do not conflict with their responsibilities at CMI or the requirements of CMI policy. Therefore, it is required that any consulting arrangement not nullify CMI's or any CMI Personnel's rights to any CMI IP or expose CMI to any liability. Employees are required to obtain approval from the General Counsel or the Vice President of Research prior to executing any consulting agreements.

F. Commissioned Works

CMI Personnel shall not contract with or otherwise engage third parties to perform services or conduct research at CMI without the prior written approval of the General Counsel and the execution of an appropriate agreement to ensure that all IP generated by such contractors is assigned to CMI.

G. Confidentiality

In the course of evaluating the commercial potential of CMI IP, it is often necessary to provide prospective licensees specific information about the CMI IP to determine if there is commercial interest. In order to protect CMI's ownership and other rights, disclosure of unpublished CMI IP or other pertinent information to third parties should be made only after the third party has signed a confidentiality agreement negotiated by the General Counsel.

H. Litigation

Neither CMI nor any CMI Personnel will bring, prosecute, or defend any litigation in court involving CMI IP, or any patent or patent applications relating thereto, without the prior approval of the General Counsel.