

PKD FOUNDATION
PATENT AND INTELLECTUAL PROPERTY POLICY

Approved by the PKD Foundation Executive Committee in September 2024.

The following Patent and Intellectual Property Policy (“Policy”) of the Polycystic Kidney Disease Foundation (“PKD Foundation”) will be adhered to by, and is binding on, all Grantee Institutions, their assignees, and Awardees. Acceptance of the Award by Grantee Institution and Awardee constitutes acceptance of the terms and conditions specified in this Policy and in the award acceptance agreement (“Award Agreement”) that will be executed by Grantee Institution and Awardee before the Award is disbursed.

I. DEFINITIONS. Capitalized terms used in this Policy shall have the meanings set forth below:

- “Award” means the grant amount specified in the Award Agreement with Grantee Institution accompanying this Policy.
- “Awardee” means the principal investigator or primary recipient identified in the Award Agreement.
- “Grantee Institution” means the tax-exempt sponsoring institution that employs the Awardee, is responsible for administering the Award, and is signatory for all matters relating to the Award and this Policy.
- “Invention” means an invention or discovery (whether or not patentable) that is discovered, reduced to practice, or further developed in whole or in part as a result of the Award.
- “Net Proceeds” means any amount received by Grantee Institution and its affiliates with respect to an Invention (including any property received) whether upfront or in subsequent payments from an option-holder, licensee or transferee of an Invention less the following: (i) unreimbursed intellectual property registration costs incurred by Grantee Institution; (ii) the transaction costs incurred by Grantee Institution in connection with the preparation or negotiation of any option, license or transfer of an Invention; and (iii) any inventor payments made to Awardee related to the Invention in accordance with Grantee Institution’s policies.
- “PKD Foundation Share” shall mean the share of Net Proceeds due to the PKD Foundation. The PKD Foundation Share shall be determined by dividing the Award by the total direct cost of the Invention expended by Grantee Institution and any affiliate for the Invention, provided that, in no event shall the PKD Foundation Share exceed 50% of Net Proceeds.

II. TERMS AND CONDITIONS.

(a) Notifications of Inventions, Cooperation and Confidentiality.

All notices hereunder shall be delivered to PKD FOUNDATION by notifying the Vice President of Research Programs of the PKD Foundation via email at research@pkdcure.org

Grantee Institution or its assignee and Awardee shall notify PKD Foundation at the earliest practical time of any Invention and whether Grantee Institution intends to pursue patent application or copyright protection (collectively “IP Registration”) of the Invention.

(b) Financial Obligations Grantee Institution shall have the following financial obligations:

- to pay the costs of prosecution of any IP Registration of an Invention;

- to notify PKD Foundation within thirty (30) days of the grant of an option, license, sublicense, or other revenue generating agreement involving an Invention and its terms;
- to pay to PKD Foundation within sixty (60) days after the end of any calendar year in which Net Proceeds are received a royalty (the “Royalty Payment”) equal to Net Proceeds multiplied by the PKD Foundation Share. Such payment shall be accompanied by a statement detailing the calculation of the Royalty Payment; and
- to allow PKD Foundation the right to audit, at its own expense, Grantee Institution's relevant books and records in any year it receives Net Proceeds, in order to verify the calculation of the PKD Foundation Share and the Royalty Payment.

(c) Research Only Licenses. Grantee Institution shall grant to other tax exempt research institutions at PKD Foundation's request a non-exclusive license to any Invention for non-commercial research purposes only.

(d) Licensee Diligence Obligations. Any licenses granted by Grantee Institution or its assignee of any Invention shall include terms requiring the licensee to use its commercially reasonable efforts to commercialize any licensed Invention and reserving to Grantee Institution the right to terminate such license if diligence requirements are not met.

(e) Publicity. PKD Foundation reserves the right to publicize PKD Foundation supported research. PKD Foundation will provide Grantee Institution and the Awardee with prior notice and an opportunity for comment on any such public acknowledgment. This publicity right is not intended to include the use of the name of the Awardee or Grantee Institution in connection with commercial purposes or use in product promotion or product endorsement. PKD Foundation's name and logo may not be used in association with any Invention without prior approval of PKD Foundation.

*This Policy is effective as of the date listed below and supersedes all prior editions.
All policies and procedures enumerated in this Policy Statement are subject to change without notice.
September 2024*