



HEALTHY CITIES.
BETTER LIVES.

PATENT POLICY **MEDICAL STUDENT GRANTS**

This statement sets forth the Patent Policy of The New York Academy of Medicine (the “Academy”) with respect to patentable inventions and discoveries (each an “Invention”) made or developed (i) by researchers who are not employees of the Academy in the course of research supported in part with funds granted by the Academy – and (ii) by employees of the Academy in the course of their employment.

INVENTIONS MADE OR DEVELOPED WITH ACADEMY FUNDING BY RESEARCHERS WHO ARE NOT EMPLOYEES OF THE ACADEMY

Funds granted by the Academy for research by researchers who are not employees of the Academy typically consist of stipends or similar grants that supplement the amounts received by researchers from other funding sources, which sources may be governmental or private (non-profit or for-profit). In such cases the researcher is customarily bound by the patent policies of or contractual arrangements with the institution in which the research is being conducted. Those policies and contractual arrangements govern the sharing of royalties, equity interests (which include stock interests, partnership and joint venture interests, and other equity participations) and other financial benefits (collectively, “Royalties”) that may result from the commercial exploitation of the Inventions involved. Accordingly, this portion of the Patent Policy governs only that portion of the Royalties to which the researcher is entitled (the “Researcher’s Share”) pursuant to the patent policies of or contractual arrangements with the institution in which the research is being conducted.

As a condition of receiving stipends or similar grants to support his or her research, the researcher shall be obligated to pay or cause to be paid to the Academy that portion of the Researcher’s Share as shall be determined pursuant to this portion of this Patent Policy. By accepting such stipends or similar grants, each researcher assisted by the Academy agrees to be bound by and comply with the terms and conditions of this portion of this Patent Policy and the

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“General Provisions” set forth below:

1. Prior to accepting any financial assistance from the Academy, the institution in which the research is being conducted shall furnish to the Academy copies of such institution’s patent policy and its contractual arrangements with the researcher.

2. The researcher shall promptly report in writing to the Academy any Inventions she made or developed in the course of research supported in part with funds furnished by the Academy. The researcher shall furnish or cause to be furnished to the Academy copies of all such US patents issued in respect thereof in the name of the researcher (alone or with others).

3. The Researcher’s Share in respect of an Invention or related patents (other than pursuant to the following paragraph 5) shall be shared with and paid to the Academy in accordance with the provisions set forth below in this paragraph 4; provided, however, in no event shall the researcher be required to pay or deliver to the Academy any money or equity interest in excess of the maximum amount allowable under applicable Federal or State statute, regulation or ruling.

DOLLAR AMOUNTS

<u>Cumulative Researcher’s</u>	<u>Portion of Researcher’s Share Payable to the Academy</u>
Up to \$250,000	-0-
\$250,000 to \$750,000	7½%
Over \$750,000	12½%

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All amounts required to be paid by the researcher to the Academy shall be paid forthwith upon receipt thereof by the researcher.

EQUITY INTERESTS

The researcher shall transfer or cause to be transferred to the Academy forthwith upon receipt thereof by the researcher 1/2% of all equity interests issued or delivered to or otherwise received by or made available for the benefit of the researcher.

4. If the researcher intends to abandon any patent application she owns relating to the research funded by the Academy, the researcher shall give the Academy prompt written notice of such intention and give to the Academy the opportunity to take title of the Invention and continue such patent application at the Academy's own expense. In such event, the researcher shall assign to the Academy her right, title and interest in and to the Invention. Thereafter, the Academy shall be free at its expense to pursue patent applications covering such Invention and commercially exploit for the account of the Academy and its assignees the Invention and related patents that may be granted in respect thereof. In such event, the Academy shall determine in its sole and absolute discretion the portion, if any, of Royalties derived from such Invention and related patents that shall be paid to the researcher (after first deducting from the gross Royalties all costs and expenses paid or incurred by the Academy in connection with the prosecution of such patent applications and the commercial exploitation of such Invention and related patents).

5. If the Academy furnishes financial assistance to a researcher other than through stipends or similar grants that supplement amounts received from primary funding sources, the researcher and the Academy shall nevertheless share in the Researcher's Share in accordance with paragraph 4 above.

INVENTIONS MADE OR DEVELOPED BY ACADEMY EMPLOYEES

1. Any Invention made or developed by an employee of the Academy in the course of his or her employment by the Academy shall be the sole and exclusive property of the Academy. The Academy shall be free at its sole discretion to pursue any patent applications in respect of any such Invention and otherwise to exploit commercially for the account of the Academy and its assignees such Invention and any related patents that may be granted in respect thereof.

2. No employee of the Academy shall secure or attempt to secure on his or her own behalf or on behalf of any other person or entity (other than the Academy at its request) any rights in an Invention made or developed in the course of his or her employment by the Academy. In addition, no employee shall assign or agree to assign to any other person or entity any right, title or interest in any such invention without the prior written authorization of the Academy.

3. If the Academy receives Royalties in respect of an Invention made or developed by an employee, such amount shall be shared with and paid to the employee on a 50-50 base; provided, however, in no event shall the Academy be required to pay or deliver to the employee any money or equity interest in excess of the maximum amount allowable under applicable Federal or State statutes, regulations or rulings. If an excise or other tax is imposed on the Academy or its directors or officers with respect to a portion of such compensation payable to the employee (together with the other amounts and benefits payable to the employee in respect of his employment) on the grounds that such portion is unreasonable or excessive, such portion shall be deemed to be in excess of the maximum amount allowable within the meaning and intent of the preceding sentence. All amounts required to be paid by the Academy to the employee shall be paid forthwith upon receipt thereof by the Academy.

EQUITY INTERESTS

The Academy shall transfer or cause to be transferred to the employee forthwith upon receipt thereof by the Academy 12½% of all equity interests issued or delivered to or otherwise received by or made available for the benefit of the Academy.

GENERAL PROVISIONS

1. The researcher shall execute and deliver to the Academy such assignments, agreements or other writings as shall be reasonably requested by the Academy to carry out the provisions of this Patent Policy. Without limiting the generality of the foregoing, with respect to Inventions by researchers who are not employees of the Academy, such assignments, agreements or other writings may provide for the direct payment to the Academy of its portion of the Researcher's Share, the transfer to and in the name of the Academy of legal title to and record and beneficial ownership of the Academy's share of equity interests or other amounts that comprise the Researcher's Share or any part thereof.

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2. This Patent Policy shall be administered in behalf of the Academy by its President or a designee of the President.

3. This Patent Policy may be amended, modified or supplemented from time to time by the Board of Trustees of the Academy, but no such amendment, modification or supplement shall diminish or impair the rights of any researcher (whether or not an employee of the Academy) who theretofore received financial support from the Academy pursuant to the Patent Policy as it existed at the time such financial support was granted.