



Intellectual Property Policy

1. Introduction

1.1 Purpose

Providence Health Care (PHC) is committed to support research and innovation for better patient and health outcomes. The purpose of this Policy is to outline the rights and responsibilities regarding ownership, use and control of Intellectual Property. PHC's goals are to i) promote the transfer of knowledge and maximize PHC's impact on society, ii) establish PHC as a hub of knowledge transfer and networking between researchers, industry, and customers, and iii) build constructive relationships with industry and entrepreneurs and strengthen PHC's role as a leader in innovation.

1.2 Scope

For greater certainty and without limitation this Policy applies to:

- a. PHC employees;
- b. Persons who conduct research using PHC Facilities, PHC Funding or PHC Resources; and
- c. Persons whom PHC may hire to carry out work on a contractual basis, such as an independent contractor.

2 Policy

2.1 Types of Inventions

2.1.1 General

- a. PHC recognizes that Persons associated with PHC regularly participate, and PHC Facilities, PHC Funding or PHC Resources are often used, in projects and pursuits capable of producing Inventions. PHC believes that such Inventions should be distinguished from Inventions to which PHC has no claim.
- b. Accordingly, this Policy distinguishes PHC Inventions from other types of Inventions in order to define and clarify the ownership and treatment of Inventions.

2.1.2 External Activity Invention

As PHC wishes External Activity Inventions to remain with its Inventors, *ownership of External Activity Inventions will be determined in accordance with applicable law and shall not be impacted by this Policy.*



2.1.3 Sponsored Research Invention

- a. PHC enters into a number of agreements with universities, governments, non-profit organizations, and industry partners who fund research conducted using PHC employees, PHC Facilities, PHC Funding or PHC Resources (Sponsored Research Agreements).
- b. *Sponsored Research Inventions are owned as set out in the respective Sponsored Research Agreement.*

2.1.4 PHC Research Invention

As PHC Research involves the utilization of PHC Resources, PHC Facilities, or PHC Funding, or is conducted while acting within the scope of Inventor's duties to or employment with PHC, *PHC Research Inventions are owned by PHC, unless otherwise determined under a Sponsored Research Agreement or Affiliation Agreement.*

2.1.5 Work Invention

Work Inventions are owned by PHC.

2.1.6 University or Third-Party Affiliations

PHC may enter into agreements, other than Sponsored Research Agreements, governing the relationship between PHC and a University or Third-Party which includes provisions addressing the IP rights of the parties and pursuant to which PHC and a University or other Third-Party may support research involving the use of the other party's facilities, funding, or resources (Affiliation Agreements). Accordingly, where:

- i. an Inventor is affiliated with a University (e.g., a university faculty member, employee, student or fellow) or Third-Party;
- ii. an Invention is a modification or improvement to existing IP that is owned by or licensed to a University or Third-Party; or
- iii. in the creation of an Invention, the Inventor used any one or more of University or Third-Party Facilities, University or Third-Party Resources, or University or Third-Party Funding,

then the ownership rights in the Invention are subject to the terms and conditions of the Affiliation Agreement between PHC and the respective University or Third-Party, or, in the absence of such an agreement, subject to negotiations between PHC and such University or Third-Party.



2.1.7 Indigenous Intellectual Property

Indigenous peoples hold the collective intellectual property rights to their traditional knowledge and all expressions of this traditional knowledge. Indigenous Intellectual Property includes traditional knowledge (TK) and traditional cultural expressions (TCEs). TK refers to the knowledge, skills, innovations, and practices developed by Indigenous peoples related to biodiversity, agriculture, health, and craftsmanship. TCEs generally refer to tangible and intangible forms in which TK and culture are expressed and may include oral stories, artwork, handicrafts, dances, fabric, songs, or ceremonies. TK and TCEs can be collectively held and may evolve and change over time as they are passed down from generation to generation.

This PHC policy recognizes Indigenous rights holder ownership over Intellectual Property of TK and TCE, as well as language, identity, and population. The rights of Indigenous people to their Intellectual Property are recognized in United Nations Declaration on the Rights of Indigenous Peoples (Article 31, and supported in Articles 11 and 24). Indigenous data collected by PHC is the Intellectual Property of the Indigenous peoples it represents.

Indigenous data used as a source for the product or invention to which Indigenous intellectual property considerations apply may contain personal information and/or represent a geography that contains 25% or more Indigenous population. If data include Indigenous designation, or Indigenous ethnicity can be reliably directly or indirectly inferred from the data, the Inventor is advised to engage with Indigenous Wellness and Reconciliation for guidance or assistance.

2.2 PHC Inventions

2.2.1 Records Relating to PHC Invention Creation

- a. The Inventor must keep records of the PHC Inventions created in accordance with generally accepted scientific practice. Such records must be made available for review by PHC if requested. All records relating to PHC Inventions will automatically be the property of PHC and must be delivered by the Inventor to PHC upon request.

2.2.2 Disclosure and Confidentiality

- a. Inventors shall promptly disclose to PHC any Invention that might be a PHC Invention by completing a copy of the [PHC IP Disclosure Form](#) and submitting it to Providence Health Care Ventures (PHCV). PHCV is a wholly owned subsidiary of PHC, responsible for protection and Commercialization of PHC Inventions.
- b. Information about PHC Invention disclosures shall be kept confidential (i.e., the Inventor(s) and others having knowledge of a PHC Invention shall not make known information about the disclosure to parties that are not bound by appropriate



confidentiality agreements with PHC) until PHC advises that such information can be released in order to not risk the possibility of obtaining valid patent rights.

- c. A PHC Invention may be disclosed to third parties prior to filing a patent application, provided the disclosure is covered by a confidentiality agreement between PHC, the Inventor and the third-party to whom the invention is disclosed. Such agreements provide evidence that the receiving party understands the confidential nature of the information and expresses in written form its obligation to keep the information in confidence.

2.2.3 Assignment of IP Rights

- a. Inventors shall assign all rights, title, and interest to PHC Inventions to PHC or to another party, and waive any and all moral rights therein, as PHC may direct. Where documentation, including Assignments, is required by law to vest ownership with PHC, or such other party as PHC directs, the Inventor will execute such documents as are necessary to give effect to this Policy.
- b. Assignment shall not imply that protecting or Commercializing a PHC Invention will necessarily occur. PHC may choose to protect, develop, or Commercialize a PHC Invention in the manner that PHC deems appropriate, in its sole discretion.
- c. Failure of PHC to secure Assignment of a PHC Invention shall not affect the responsibilities or obligations of any Person under this Policy.

2.2.4 PHC Invention Development and Commercialization by PHCV

- a. Inventors shall co-operate with PHCV in the development and marketing of PHC Inventions, assist in preparing patent applications, ensure that written descriptions and patent filings are complete and accurate, and sign all necessary legal instruments from time to time relating to licensing or the filing and maintenance of patents and the development of the PHC Invention.
- b. Inventors shall not use the name of PHC in any way including, without limitation, in connection with the development or Commercialization of an Invention without the prior written consent of the PHC Vice President Communications & Public Affairs.
- c. Should PHCV decide to Commercialize a PHC Invention, any such Commercialization shall be undertaken at PHCV's expense.
- d. PHCV may choose to undertake the Commercialization process using the services of an established technology transfer provider.



2.2.5 Proceeds of Commercialization of PHC Inventions

- a. Under the terms of this Policy, Inventors share in the proceeds of the Commercialization of PHC Inventions, if such Commercialization is undertaken by PHCV. A sharing of any Net Revenue arising from the Commercialization of a PHC Invention between Inventor(s) and PHC would be based on Section 2.2.5 b. Where more than one Inventor has collaborated on a PHC Invention, the Inventors' share of the Net Revenue shall be allocated among them in such a manner as such Inventors agree. PHC shall be given written notice of the allocation agreed upon at the outset of the disclosure, which shall also include the names of all interested Persons.
- b. PHCV will distribute any Net Revenue received as follows:
 - i. 60% of the Net Revenue will be allocated among the Inventors;
 - ii. 40% of the Net Revenue will be retained by PHC, and allocated 50% to Providence Research and 50% to PHCV, unless an alternative allocation is agreed to.

2.2.6 Inventor Start-Ups

- a. Commercialization of PHC Inventions may be undertaken by entering into agreements with pre-funding or early stage ventures either founded by, having a closing relationship with, or in which a financial interest is taken by, one or more Inventors (collectively Inventor Start-ups). PHC is supportive of efforts by Inventors to participate in the Commercialization of PHC Inventions through Inventor Start-ups.
- b. However, an Inventor Start-up may create a Conflict of Interest. PHC is committed to identifying and appropriately managing any such Conflict of Interest while simultaneously supporting the appropriate entrepreneurial participation and external engagement of Inventors. In addition to any disclosure required of the relevant Inventors, PHC may require that any Inventor provide assurances, to PHC's satisfaction, with respect to any compensation received or to be received by an Inventor.

2.2.7 Transfer of PHC Inventions to Inventors

- a. If an Inventor wishes to make a request for a Transferred PHC Invention, such request must be specified in the [PHC IP Disclosure Form](#) and set out:
 - i. the reasons for the request;
 - ii. the relevant circumstances that apply which justify the transfer of the PHC Invention to the Inventor;
 - iii. a clear Commercialization plan for the PHC Invention;



- iv. details of any other document or information that may assist PHC in assessing the request
- b. PHC will consider requests from an Inventor to transfer ownership of a PHC Invention to the Inventor (Transferred PHC Invention). Circumstances in which PHC will consider such requests for Transferred PHC Invention include (without limitation):
 - i. PHCV does not wish to Commercialize the Invention;
 - ii. the PHC Invention was created by the Inventor with minimal involvement of PHC Resources, PHC Facilities or PHC Funding;
 - iii. the Inventor has displayed a genuine commitment to Commercialize the PHC Invention as evidenced by the following (without limitation) list of factors:
 - 1. having a detailed Commercialization plan (including business plan) for the Commercialization of the PHC Invention;
 - 2. setting up an Inventor Start-up to own and/or Commercialize the PHC Invention;
 - 3. investment by the Inventor, family, friends or third parties in the Inventor Start-up;
 - 4. licensing or other arrangements between the Inventor Start-up or the Inventor and third parties in relation to the Commercialization of the PHC Invention.

PHC will be under no obligation to agree to a request for a Transferred PHC Invention and any decision to agree to, or reject a request for a Transferred PHC Invention is at the sole discretion of PHC.

- c. If PHC grants a request for a Transferred PHC Invention, any such transfer would be subject to the following conditions:
 - i. the Transferred PHC Invention would only relate to IP as at the date of the transfer. For the avoidance of doubt, the transfer would not extend to future modifications or improvements to the Transferred PHC Invention that may be undertaken by or on behalf of PHC after the transfer date;
 - ii. PHC would not be obliged to provide any support (financial or otherwise) in respect of the Transferred PHC Invention after the transfer date and the Inventor would be solely responsible for all obligations and costs relating to the Transferred PHC Invention with effect from the transfer date;



- iii. unless otherwise determined by PHC, the Inventor would grant PHC a perpetual, royalty-free, non-exclusive, sub-licensable and irrevocable license to use the Transferred PHC Invention for PHC's scholarly, academic and other non-commercial purposes including without limitation, the provision of health care services, with the ability of PHC to grant sub-licenses of the Transferred PHC Invention to third parties for non-commercial purposes such as research and the provision public health care services. For greater clarity, the license to PHC would include a right to publish scholarly or academic works as long as such publication would not negatively impact the Commercialization of the Transferred PHC Invention.
- iv. unless otherwise agreed in writing by the Inventor and PHC, proceeds from the Commercialization of the Transferred PHC Invention would be shared between the Inventor and PHC as described in Section 2.2.8
- v. unless otherwise agreed in writing by the Inventor and PHC, the Inventor will issue to PHC shares in any Inventor Start-up that owns the Transferred PHC Invention, with such shares having, in all material respects, the same special rights and restrictions as those shares issued by the Inventor Start-up to the Inventor and/or founders of the Inventor Start-up. Such share ownership would be non-dilutable until the achievement of a milestone to be negotiated by the Inventor and PHC.

2.2.8 Commercialization of Transferred PHC Invention

Where the Inventor Commercializes the Transferred PHC Invention or engages another party to Commercialize the Transferred PHC Invention on its behalf, unless otherwise agreed in writing between the Inventor and PHC, PHC will receive a percentage of the Gross Sales generated from the Commercialization of the Transferred PHC Invention, or a fixed percentage of the Equity of the party that receives the Transferred PHC Invention as negotiated by the Inventor and PHC.

2.2.9 Conflicts of Interest

It is acknowledged that Conflicts of Interest may arise from time to time between PHC and the Inventor as a result of PHC Inventions. Any such actual or perceived Conflict of Interest that arises will be dealt with in accordance with the PHC Conflict of Interest Policy.

3 Responsibilities

3.1 PHC Employees and Persons

PHC employees and Persons as outlined under section 1.2 of this Policy are responsible for complying with this Policy.



3.2 PHC Managers

PHC Managers are responsible for communicating this Policy and assuring compliance with this Policy.

3.3 PHC Ventures (PHCV)

PHCV, a wholly owned subsidiary of PHC, is responsible for the protection and Commercialization of PHC Invention. PHCV is responsible for the maintenance and administration of this Policy.

3.4 Providence Research (PR)

PR is responsible for supporting the protection and Commercialization of PHC Research Invention where required.

4 Compliance

PHC employees and Persons who fail to comply with any provision of this Policy will be subject to disciplinary action, up to and including the possibility of termination of employment, services, or privileges.

5 Supporting Documents

The following are the related policies:

- [PHC Conflict of Interest](#)
- [PHC Standard of Conduct Policy](#)
- [PHC Information Privacy and Confidentiality Policy](#)
- [Indigenous Cultural Safety Policy](#)

6 Definitions

Affiliation Agreement means an agreement, other than a Sponsored Research Agreement, governing the relationship between PHC and a University or Third-Party which includes provisions addressing the IP rights of the parties and pursuant to which PHC and a University or Third-Party may support research involving the use of the other party's facilities, funding, or resources. PHC has an Affiliation Agreement with the University of British Columbia (UBC) and Simon Fraser University (SFU).

Assignment means a transfer of rights in an Invention and is a legal document or process which transfers an Invention to a party, and which may be recorded in the Canadian Intellectual Property Office (a federal government agency) and/or other international patent office.

Commercialization means activities undertaken in order to make use of an Invention with the goal of financial return that is over and above that of simple cost recovery. Commercialization can include Assignment, licensing, manufacturing, or production of an Invention as well as the



protection of an Invention, including, but not limited to, obtaining patent protection and copyright registration. Commercialize and Commercializing have correlative meaning.

Conflict of Interest means a real, perceived, or potential divergence between an Inventor's personal interests and their professional obligations to PHC, such that if an independent observer was informed of said interests they may question whether financial or personal gain influenced an Inventor's PHC duties or professional judgement including, without limitation, in respect of clinical practice, leadership, research, investment or procurement selection, or business and administrative decisions performed by that Inventor. Conflicts of Interest may arise when an Inventor has a personal interest in an individual or industry with whom PHC has had, has, or may have, a business relationship.

Equity means shares of stock or other forms of securities such as warrants, share appreciation rights and interests in limited partnerships, private or public companies.

Gross Sales means all sales including royalty, lump sum payment, profit share or other forms of consideration actually received by PHC arising from the sale, licensing, or other disposition of an Invention to a Third-Party, but shall not include funding for research projects by University or Third-Party sponsors.

Indigenous Data means data that includes the health service utilization, health outcomes and demographic characteristics of the Indigenous population, including the socioeconomic determinants of health. This data may be identified through personal information. In the absence of personal identifiers, Indigenous data includes populations of geographies, services or programs that contain 25% or more Indigenous population.

Intellectual Property or IP means inventions (whether or not patentable), technology, technical information, confidential information, trade secrets, know how, trademarks, domain names, URLs, brands, service marks, official marks, industrial designs, design patents, letter patents, copyright (including literary and artistic works), databases, formulae, cell lines, antibodies and other biological materials, chemical discoveries, computer software and hardware, software codes, drawings, graphics, designs, concepts, ideas, apparatus, processes, materials, prototypes and devices. IP includes Sponsored Research Invention, PHC Research Invention, and Work Invention.

Invention means any invention or discovery (whether or not patentable), works, software (source and object code), data, information, research tools, biological material and know-how which is proprietary in nature.

Inventor means an individual or group of individuals who created, developed, discovered, invented, or authored an Invention.

Net Revenue means the gross payments and distributions, whether by way of cash, Equity holdings or otherwise, received by PHC from the Commercialization of a PHC Invention, less all direct and indirect expenses incurred by PHC or PHCV in pursuing such Commercialization including any legal fees, patent and prototype costs, ongoing development and operational expenses, payments under any inter-institutional revenue sharing agreement, and any other amounts reasonably paid in the



sole discretion of PHC or PHCV for any relevant purpose in connection with the Commercialization of the PHC Invention. For greater certainty, any funding or reimbursement of research costs received by PHC shall not form part of the gross payments upon which Net Revenue shall be calculated.

Persons means an individual, partnership, association, corporate body, or personal representative.

PHC Facilities means premises owned, leased, or subleased by PHC and used in the creation of an Invention.

PHC Funding means funds held in the name of or on behalf of PHC and used in the creation of an Invention.

PHC Invention means any Invention that PHC owns in whole or in part pursuant to this Policy which includes Work Inventions and may include Sponsored Research Inventions and PHC Research Inventions.

PHC Research means any research conducted by an Inventor: (i) using PHC Facilities, PHC Funding, or PHC Resources; or (ii) while acting within the scope of such Inventor's duties to or employment with PHC.

PHC Research Invention means any Invention arising in the course of PHC Research.

PHC Resources means any equipment (owned, leased, subleased by or otherwise under the care and control of PHC), biological samples, patient information, data, databases, specifications, plans, drawings, prototypes, models, documents, recordings, instructions, manuals, papers, or other materials of any nature whatsoever, that is under the care or control of PHC and used in the creation of an Invention.

Sponsored Research Agreement means an agreement with a university, government, non-profit organization, or industry partner who funds research conducted using PHC employees, PHC Facilities, PHC Funding or PHC Resources.

Sponsored Research Invention means any Invention arising from a Sponsored Research Agreement under which PHC may have agreed to assign ownership or grant a license, option, or other interest in the Sponsored Research Invention to another contracting party.

Third-Party means any Person other than PHC, PHCV or a University.

University means a university or other post-secondary academic research institution.

University or Third-Party Facilities means premises owned, leased, or subleased by the University or Third-Party and used in the creation of an Invention.

University or Third-Party Funding means funds held in the name of or on behalf of the University or Third-Party and used in the creation of an Invention.



University or Third-Party Resources means any equipment (owned, leased, subleased by or otherwise under the care and control of the University or Third-Party), biological samples, patient information, data, databases, specifications, plans, drawings, prototypes, models, documents, recordings, instructions, manuals, papers, or other materials of any nature whatsoever, that is under the care or control of the University or Third-Party and used in the creation of an Invention.

Work Invention means any Invention created in the course of an Inventor's employment or contract with PHC, but not in the course of conducting PHC Research. Examples of Work Inventions include:

- i. software created for PHC by its programming staff or external contractors,
- ii. training programs and materials or administrative materials such as manuals and procedures (clinical and non-clinical),
- iii. websites created for PHC by its website designers or clinical programs,
- iv. marketing materials created for PHC by its communication staff, associated designs,
- v. trademarks or logos created by or for PHC.

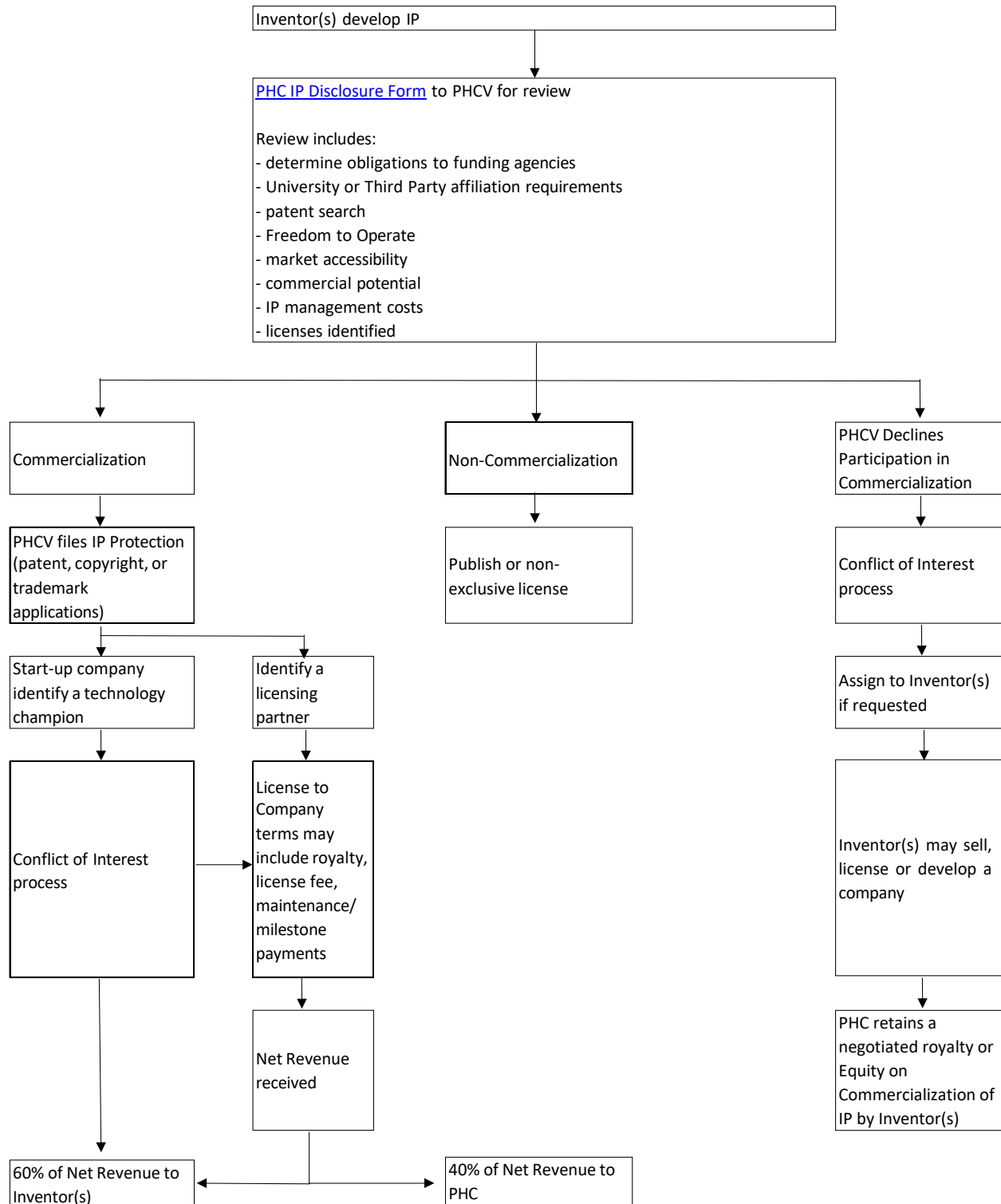
7 Appendices

- Appendix A: IP Process Map



Appendix A: IP Process Map

Disclosure, Commercialization and Net Revenue Distribution





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