

Department/Category: CORPORATE COMPLIANCE AND INTEGRITY	Page 1 of 13	Policy # 01.0010
Title: NMHC INTELLECTUAL PROPERTY POLICY	Review of: 07/13/2023	Effective Date: 08/30/2024
		Next Review: 08/30/2029

SCOPE: Applies to entities indicated below as well as their subsidiaries and affiliates

<input checked="" type="checkbox"/> NM – Northwestern Memorial Hospital	<input checked="" type="checkbox"/> NM – Lake Forest Hospital
<input checked="" type="checkbox"/> NM – Northwestern Medical Group - Academic Medical Center (AMC)	<input checked="" type="checkbox"/> NM – Central DuPage Hospital
<input checked="" type="checkbox"/> NM – Northwestern Medical Group - Northwestern Health Network (NHN)	<input checked="" type="checkbox"/> NM – Delnor Hospital
<input checked="" type="checkbox"/> NM – Regional Medical Group - Northwestern Health Network (NHN)	<input checked="" type="checkbox"/> NM – Valley West Hospital
<input checked="" type="checkbox"/> NM – Kishwaukee Hospital	<input checked="" type="checkbox"/> NM – Palos Community Hospital
<input checked="" type="checkbox"/> NM – Marianjoy Rehabilitation	<input checked="" type="checkbox"/> NM – System Functions / NMHC Employees
<input checked="" type="checkbox"/> NM – Huntley Hospital / <input checked="" type="checkbox"/> NM – McHenry Hospital / <input checked="" type="checkbox"/> NM – Woodstock Hospital	
Ambulatory Surgery Centers (Freestanding) <input checked="" type="checkbox"/> NM – Surgery Center River North <input checked="" type="checkbox"/> NM – Surgery Center Sycamore <input checked="" type="checkbox"/> NM – Surgery Center Warrenville <input checked="" type="checkbox"/> NM – Palos Health Surgery Center, LLC	<input checked="" type="checkbox"/> NM – Other **See “Scope/Persons/Areas Affected” Section below**

I. PURPOSE:

Northwestern Memorial HealthCare (NMHC) is committed to ensuring that all forms of Intellectual Property created by Covered Persons engaged in NMHC Activities (as those terms are defined below) are used in support of NMHC’s mission in part through innovation, research, and discovery. One way this is accomplished is by encouraging the production of, and also protecting, Intellectual Property in new technologies developed by Covered Persons. The purpose of this policy is to recognize and define the rights and interests of NMHC in such Intellectual Property, to set forth the obligations of both Covered Persons and NMHC in the administration of such Intellectual Property, and to describe the methodology to compensate creators of Intellectual Property resulting from NMHC Activities.

II. SCOPE/PERSONS/AREAS AFFECTED:

This policy applies to any individual who is a Covered Person engaged in NMHC Activities (defined below).

III. DEFINITIONS:

- A. Author: “Author” means a person who is the creator of a Copyrightable Work. In the case of “NMHC Works Made for Hire”, NMHC is considered to be the Author (see Section III.Q below).

- B. Commercialize: “Commercialize” means any steps taken to protect and use IP to generate value or to produce other benefits of any kind, financial, societal, or otherwise.
- C. Conflict of Interest: “Conflict of Interest” means any situation in which real or perceived interests of a Covered Person may run counter to the interests of NMHC or negatively affect the Covered Person’s obligations to NMHC as set forth in the NMHC Conflict of Interest Policy.
- D. Copyright: “Copyright” means a form of protection provided by the laws of the United States for Copyrightable Works.
- E. Copyrightable Work: “Copyrightable Work” means any original Work of Authorship fixed in any tangible medium of expression, now known, or later developed, from which it can be perceived, reproduced, or otherwise communicated, either directly or with the aid of a machine or device. A “Work of Authorship” includes, but is not limited to the following: Software (as defined herein), literary works; musical works, including any accompanying works; dramatic works, including any accompanying music; pantomimes and choreographic works; pictorial, graphic, and sculptural works (photographs, prints, diagrams, models, and technical drawings); motion pictures and other audiovisual works; sound recordings; and architectural or cartographic work, which was created by a Covered Person. Copyright protection attaches to an original Work of Authorship as soon as it is fixed in a tangible medium of expression regardless of whether a formal registration has been submitted to the U.S. Copyright Office.
- F. Covered Person Covered Person is any individual engaged in NMHC Activities. A Covered Person includes, but is not necessarily limited to, an employee of NMHC, any member of the medical or professional staff (including individuals holding appointments for visiting staff), contracted individuals who provide services (clinical or otherwise) at any NMHC site, any vendor of NMHC, and any visitor, student, or researcher.
- G. Intellectual Property or IP: “Intellectual Property” or “IP” means outputs of creative endeavor in any field for which legal rights may be obtained or enforced pursuant to law (anywhere in the world, whether statutory, common law or otherwise). Intellectual Property includes, but is not limited to: (i) literary works, including publications in respect of research results, and associated materials, including drafts, data sets, and laboratory notebooks; (ii) teaching and learning materials; (iii) other original literary, dramatic, musical or artistic works, sound recordings, films, broadcasts, and typographical arrangements, multimedia works, photographs, drawings, non-fungible tokens (NFTs) and other works; (iv) databases, tables or compilations, Software, algorithms, code, models, application programming interfaces (APIs), preparatory design materials for a computer program, firmware, courseware, middleware, other advanced technologies, and related material; (v) Inventions; (vi) Patents, patentable and non-patentable technical information; (vii) designs including layout designs (topographies) of integrated circuits; (viii) plant varieties and related information; (ix) trade secrets; (x) know-how, information and data associated with the above; and (xi); any other NMHC commissioned works not included above. For purposes of this policy, the term “Intellectual Property” may be used as the collective term for Patents, Copyrights, Trademarks, and/or Trade Secrets.
- H. IP Expenses: “IP Expenses” means all expenses incurred by NMHC in the administration of IP, including, but not limited to, legal, licensing, license maintenance, registration, publishing, patenting (including patent searches, filing, prosecution, and maintenance), regulatory, litigation and marketing.
- I. IP Gross Revenue: “IP Gross Revenue” means all revenue generated from IP, including but not limited to, revenue, equity, royalties, and other forms of financial return received from the licensing, sale, lease and/or assignment of such IP, prior to deduction of IP Expenses.
- J. IP Net Revenue: “IP Net Revenue” means the amount of revenue remaining on an annual basis after IP Expenses are subtracted from IP Gross Revenue.

- K. Invention: For purposes of this Policy, “Invention” means any discovery, concept, creation, idea, innovation, Copyrightable Works, derivative works, development, enhancement, improvement, alteration, approach or process, in any form, including but not limited to composition of matter, design, device, articles of manufacture, machine, method, approach, process, formula, technique, model, or algorithm that is created by an individual or individuals for any purpose, whether or not patentable or otherwise protectable as Intellectual Property.
- L. Inventor: “Inventor” means any Covered Person, who individually or jointly with others, develops Intellectual Property while engaged in NMHC Activities.
- M. Northwestern Memorial HealthCare or NMHC: “Northwestern Memorial HealthCare” or “NMHC” means Northwestern Memorial HealthCare, an Illinois not-for-profit corporation and its current and future subsidiaries and affiliates. Northwestern University is not a subsidiary nor affiliate of NMHC for the purposes of this policy.
- N. NMHC Activities: “NMHC Activities” means (1) activities within the scope of NMHC employment, (2) participation in NMHC clinical, research, educational, and/or innovation endeavors, (3) use of any NMHC Resource, (4) activities performed within the normal field of a Covered Person’s responsibilities for or on behalf of NMHC or relating to NMHC’s business (whether as an employee, contractor or otherwise, and whether or not pursuant to a written agreement), and/or (5) activities conducted for purposes of creating any NMHC Work for Hire.
- O. NMHC Inventions: “NMHC Inventions” means any and all Inventions that are authored, discovered, developed, conceived, or reduced to practice while conducting NMHC Activities or using NMHC Resources,
- P. NMHC Resource: “NMHC Resource” means any resource supplied by NMHC, including, but not necessarily limited to, financial support (salaries, grants, research contracts, foundation funding, monetary support, etc.), as well as non-monetary support (space, equipment, technology (including platform technology and individual solutions), tools, materials, staff, etc.), and/or personnel support (employed or contracted by NMHC), trade secrets/know how, other expertise, patient and other data and information, and medical records. NMHC shall have sole discretion in the determination of whether a resource shall be considered an NMHC Resource for purposes of this policy. NMHC shall have the right to conduct retrospective audits to determine whether IP created by a Covered Person involved the use of NMHC Resources.
- Q. NMHC Work for Hire: “NMHC Work for Hire” means, in accordance with Section 101 of the Copyright Act, any Copyrightable Work (i) prepared by an NMHC employee within the scope of his or her employment, or (ii) specifically ordered or commissioned for use by NMHC as set forth in a written instrument signed by NMHC and the performing party or a third party, including the performing party’s employer. An NMHC Work for Hire, is owned by NMHC and is not eligible for an allocation of Net Revenue as described in Section IV.D below.
- R. Patent: “Patent” means a property right granted by a government authority to an inventor (an individual or individuals) of a new, non-obvious and useful invention that is disclosed to the public (through publication of the patent), which allows the patent owner to exclude others from making (manufacturing), using, offering for sale, or selling the invention throughout for a defined period of time, and which may also be protected under a foreign country’s intellectual property laws by timely filing for a patent in that foreign jurisdiction. For purposes of this policy, the term “Patent” shall be understood to mean that bundle of rights that protect inventions or discoveries which constitute any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof; and new and ornamental designs for any useful article and plant patents being for the asexual reproduction of distinct variety of plan, including cultivated sprouts, hybrids, and new found seedlings, other than a tube propagated plant or plant or plant found in an uncultivated state.

- S. Release: “Release” means written approval from NMHC releasing an ownership interest NMHC has or may have in IP created by a Covered Person.
- T. Software: “Software” means computer or computer-based materials in the broadest sense, including, but not limited to, artificial intelligence, computer programs, algorithms, code, scripts, models, user interfaces, user manuals and other accompanying explanatory materials or documentation, mask works, firmware, and computer databases. For purposes of clarity, “Software” includes, for example, microcode, subroutines, operating systems, high level languages, and application programs in whatever form expressed (e.g., machine or assembly language, source, or object code) or embodied (e.g., chip architecture, ROM, disk or tape storage, program listing). Some materials included in the definition of Software may be protected by copyright, patent, trade secret, and trademark.
- U. Third-Party Agreement: “Third-Party Agreement” means a written agreement between a Covered Person and any entity that is neither NMHC nor any of NMHC’s affiliates which might restrict, commit, or affect Intellectual Property created by the Covered Person while engaged in NMHC Activities. Examples of Third-Party Agreements include, but are not necessarily limited to, confidentiality agreements, license agreements, material transfer agreements, research agreements, and consulting agreements. Any such Third-Party Agreement would be subject to the terms of this Policy. In the event of conflicting provisions between said Third-Party Agreement and this Policy, the terms of this Policy govern.
- V. Third-Party Support: “Third-Party Support” means support received by a Covered Person from a third party that is neither NMHC nor an entity affiliated with NMHC to support the development of Intellectual Property where such support is memorialized in a Third-Party Agreement. Third-Party Support is not limited to direct monetary support.
- W. Trademark: “Trademark” means a recognizable name, symbol, sounds, color, insignia, phrase, or word that denotes a specific product and legally differentiates it from all other products of its kind.
- X. Trade Secret: “Trade Secret” means information, including a formula, pattern, compilation, algorithm, program, device, method, know how, technique, or process that (i) derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain value from its disclosure or use; and (ii) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy. (See *Appendix C.*)

IV. **RESPONSIBILITIES:**

A. **OBLIGATIONS OF COVERED PERSONS**

1. Execution of NMHC Intellectual Property Documents
 - a. NMHC Intellectual Property Policy Acknowledgment. Upon request by NMHC, a Covered Person shall acknowledge their agreement to comply with their obligations under this NMHC Intellectual Property Policy. The absence of such an acknowledgement by a Covered Person shall not be deemed or construed as a limitation of NMHC’s ability to enforce any and all rights NMHC may have in and to any Intellectual Property created by the Covered Person while engaged in NMHC Activities.
 - b. NMHC Intellectual Property Assignment. Upon request by NMHC, a Covered Person shall execute an NMHC Confidential Information and Invention Assignment Agreement. The absence of an executed NMHC Confidential Information and Invention Assignment by a given Covered Person shall not be deemed or construed as a limitation of NMHC’s ability to enforce any and all rights NMHC may have in and to any IP created by the Covered Person while engaged in NMHC Activities.
2. Confidential Information See *Appendix B.*

3. Compliance with NMHC Policies. Covered Persons are responsible for compliance with this policy and any other NMHC policies to which they may be subject. Such policies include, but are not necessarily limited to, [NMHC Policy CCI 01.0011, *Conflict of Interest*](#) and [NMHC Policy CCI 01.007, *Integrated Code of Ethics*](#). If a Covered Person has questions about a given policy, they should contact their supervisor or the department responsible for issuing the policy in question.
 4. Disclosure of Inventions. Any Invention created in whole or in part by a Covered Person while engaged in NMHC Activities must be disclosed immediately to NMHC, and prior to submission of the findings of the discovery or Invention for publication or other public disclosure, regardless of whether the Invention is subject to a Third-Party Agreement. Such disclosure shall be made using the NMHC Invention Disclosure Form, attached hereto as *Appendix A* and submitted to NMHC at IPDisclosure@nm.org. A Covered Person who creates an Invention while engaged in NMHC Activities should not publish or otherwise disclose to a third party anything regarding such an Invention prior to disclosing the Invention to NMHC.
 5. Disposition of Intellectual Property. A Covered Person who has created IP while engaged in NMHC Activities may not take any action to sell, license or otherwise commit or dispose of such IP unless they have first obtained a Release permitting such action from NMHC (see Section IV.A.3 above). A Covered Person who has created IP while engaged in NMHC Activities may request a Release for such IP by submitting an NMHC Intellectual Property Release Request to NMHC for review. The determination of whether to grant a Release of IP to a Covered Person is in the sole discretion of NMHC.
 6. Execution of Third-Party Agreements. A Third-Party Agreement executed by a Covered Person engaged in NMHC Activities without written approval of NMHC shall not bind NMHC nor shall it limit in any way NMHC's ownership rights with respect to any IP impacted by such Third-Party Agreement.
- B. NMHC INTELLECTUAL PROPERTY OBLIGATIONS**
1. NMHC Invention Disclosure Forms. NMHC shall be responsible for the review of NMHC Invention Disclosure Forms submitted by Covered Persons and shall notify the Covered Person(s) in writing of NMHC's ownership interest, if any, in the IP created by the Covered Person(s). To the extent NMHC has ownership in the disclosed IP, NMHC shall also advise the Covered Person regarding the Covered Person's allocation of IP Net Revenue, if any, which may result from the IP.
 2. NMHC Intellectual Property Releases. NMHC shall be responsible for determining whether to provide a Release for any IP owned by NMHC.
 3. Third Party Agreements. NMHC shall be responsible for reviewing Third-Party Agreements prior to a Covered Person executing the Third-Party Agreement and, if appropriate, providing written approval for a Covered Person engaged in NMHC Activities to enter into a Third-Party Agreement.
 4. Administration of IP Owned by NMHC. NMHC shall be responsible for determining whether NMHC will attempt to commercialize IP in which NMHC has an ownership interest.
- C. ADMINISTRATION OF POLICY.** This policy shall be maintained by the NMHC Department of Corporate Compliance and Integrity (CCI), reviewed by the Office of General Counsel (OGC), Information Services (IS), Innovation, and Office of Research. If you have any questions about this policy, please email IPDisclosure@nm.org.

VI. IP OWNERSHIP & ALLOCATION OF NET REVENUE:

- A. NMHC owns:
1. Any IP created by a Covered Person engaged in any NMHC Activities who is employed by NMHC; or

2. Any IP created by a Covered Person who is not employed by NMHC, but who created the IP either:
 - a. While engaged in NMHC clinical, research, or educational endeavors that involved the use of any NMHC Resource or,
 - b. As an NMHC Work for Hire.
 3. Determinations as to what constitute NMHC Activities, participation in clinical, research, educational or innovation endeavors, use of NMHC Resources, and NMHC Works for Hire shall be in the sole discretion of NMHC.
- B. Exceptions
1. Third-Party Agreements. The terms of a Third-Party Agreement shall govern the allocation of ownership of any IP subject to such Third-Party Agreement regardless of whether the Inventor of such IP developed the IP as a Covered Person while engaged in NMHC Activities if, and only if, NMHC has approved such Third-Party Agreement in writing.
 2. Agreement between NMHC and Covered Person. If NMHC and a Covered Person enter into a written agreement outlining the allocation of ownership of any IP created by said Covered Person in advance of the creation of such IP, the terms of that written agreement shall govern the relative NMHC and Covered Person ownership of the IP in the event of a conflict between this Policy and such agreement.
 3. Certain Copyrightable Works. An Inventor shall own any Copyrightable Work which does not constitute Software.
 4. Illinois Employee Patent Act. As required under the Illinois Employee Patent Act, this policy shall not apply to an Invention for which no equipment, supplies, facility or trade secret information of NMHC was used and which was developed entirely upon an employee of NMHC's own time, unless (i) the Invention relates to the business of NMHC or NMHC's actually or demonstrably anticipated research or development, or (ii) the Invention results from any work performed by the employee for NMHC.
 5. NMHC Agreement with Third Party. NMHC may enter into a written agreement with a third party, including Northwestern University, from time to time with respect to the disposition of Intellectual Property.
 6. NMHC and NU Intellectual Property (IP) Collaboration Agreement. For patentable Inventions resulting from joint works that involve inventors and resources from both NMHC and Northwestern University (e.g., Covered Persons who are concurrently employed by Northwestern Medical Group or Northwestern Regional Medical Group and also Northwestern University), the terms of the then-current NMHC/ NU Intellectual Property Collaboration Agreement will govern Intellectual Property ownership and the allocation of IP Net Revenue. For the avoidance of doubt, the NMHC/NU IP Collaboration Agreement does not conflict or replace Northwestern University's or NMHC's Patent and Invention Policies. When projects originate from inventors (with appointments as defined by the respective Patent and Invention Policies) and resources solely from one Party, that Party's Policy will apply.
- C. **NMHC's Release of IP.** NMHC may choose to relinquish its ownership of and/or rights to IP. An Inventor may request a release by submitting a request for Release of Intellectual Property to NMHC at IPDisclosure@nm.org. NMHC will review the request and will provide the Inventor with a Release if NMHC determines that NMHC is willing to relinquish its ownership of and/or rights to the IP in question. NMHC is under no obligation to provide a Release for any IP it owns. NMHC may condition issuance of a Release on certain factors, including but not limited to, the following: (a) reimbursement by Inventor of IP Expenses; (b) retention by NMHC of a non-exclusive, transferable license to use such IP; and (c) limitations on NMHC's liability and indemnification with respect to the IP or Invention.

D. Allocation of Net Revenue

1. In certain situations, Northwestern Memorial HealthCare may allocate IP Net Revenue to an eligible Inventor or Author in accordance with policies and processes developed by NMHC from time to time, subject to NMHC's agreement with a third party, (e.g., the then-current NMHC/NU IP Collaboration Agreement or any other agreement between NMHC and an outside party). Inventors are not entitled to allocations of IP revenue from more than one agreement or other intellectual property policy for the same Invention.
2. The current formulas for allocation of IP Net Revenue are as follows:
 - a. Patented IP: 33% to eligible Inventors, and 67% to NMHC (of which 2.5% will be allocated to the Inventor's Department, 2.5% to Inventor's Division, and 15% to NM Ventures.)
 - b. Copyrighted IP: 30% to eligible Authors, and 70% to NMHC (of which 2.5% will be allocated to Author's Department, 2.5% to Author's Division, and 15% to NM Ventures).
 - c. The above formulas are subject to change at the sole discretion of NMHC.
 - d. If there is more than one eligible Inventor, the allocation will be divided equitably among them.
3. For patentable Inventions resulting from joint work that involves eligible inventors and resources from both Northwestern University and NMHC, the then-current NMHC/NU IP Collaboration Agreement will govern the allocations of net revenue.
4. If there is more than one eligible Inventor, the allocation will be divided equitably among them.

VII. MODIFICATIONS:

This Policy creates no rights, contractual or otherwise for Covered Persons. Statements of policy contained herein are not made for the purpose of inducing any person to become or remain an employee of NMHC and should not be considered "promises" or as granting "property" rights. NMHC may add to, subtract from, and/or modify this Policy at any time without notice.

VIII. POLICY UPDATE SCHEDULE:

This policy is reviewed or updated every 5 years or more often as appropriate.

IX. RELEVANT REFERENCES:

None

X. APPENDICES:

- A. [NMHC Intellectual Property Disclosure Form](#)
- B. [NMHC Confidential Information](#)
- C. [Trade Secrets](#)

XI. APPROVAL:

Responsible Party: Kristin Kurczewski
Director, Integrity

Reviewers: Information Services
Innovation
Office of Research
Office of General Counsel

Committees: None

Approval Party: Jennifer Wooten Ierardi
VP, Integrity, NMHC
Electronic Approval: 08/28/2024

XII. REVIEW HISTORY:

Written: 07/13/2023 (transitioned from NMH document)
Reviewed/Revised: 08/30/2024 (Name changed)

APPENDIX A: NMHC INTELLECTUAL PROPERTY DISCLOSURE FORM

[NMHC Intellectual Property Disclosure Form](#)

APPENDIX A:
NMHC Intellectual Property Disclosure Form

Kristin Kurczewski
Director, Integrity

Effective Date: 08/30/2024

REVIEW HISTORY:

Written: 08/30/2024

APPENDIX B: NMHC CONFIDENTIAL INFORMATION

I. DEFINITION.

Confidential Information: “**Confidential Information**” means any and all information and physical manifestations (i) not generally known or available outside NMHC and (ii) entrusted to NMHC in confidence, whether or not such information is patentable, copyrightable or otherwise legally protectable. Confidential Information includes, without limitation: NMHC Inventions, technical data, trade secrets, know-how, research, product or service ideas or plans, software codes and designs, algorithms, developments, inventions, patent applications, laboratory notebooks, processes, formulas, techniques, biological materials, mask works, engineering designs and drawings, hardware configuration information, agreements with third parties, lists of, or information relating to, employees and consultants of NMHC (including, but not limited to, the names, contact information, jobs, compensation, and expertise of such employees and consultants), lists of, or information relating to, suppliers and customers including, but not limited to, customers of NMHC who were called by or acquainted with a covered Person, price lists, pricing methodologies, cost data, market share data, marketing plans, licenses, contract information, business plans, financial forecasts, historical financial data, budgets or other business information disclosed by NMHC either directly or indirectly, whether in writing, electronically, orally, or by observation.

II. OBLIGATIONS OF COVERED PERSONS:

- A. NMHC may provide Covered Persons with Confidential Information while engaging in NMHC Activities, without which Covered Persons would not be able to perform their duties or obligations to NMHC. Covered Persons agree to:
1. Hold Confidential Information in strictest confidence, and not use Confidential Information, except for the benefit of NMHC to the extent necessary to perform duties and obligations to NMHC. Covered Persons shall not disclose to any person, firm, corporation or other entity, without written authorization from NMHC in each instance, any Confidential Information until such Confidential Information becomes publicly and widely known and made generally available through no wrongful act of anyone who is obligated by these confidentiality terms as to the item or items involved.
 2. Refrain from making copies of such Confidential Information except as authorized by NMHC.
 3. Not improperly use or disclose to NMHC any confidential, proprietary, or secret information of a former employer or any other person and will not bring any such information onto NMHC’s property or place of business.
 4. Keep and maintain adequate and current written records of all NMHC Inventions made or conceived (solely or jointly with others) while engaging in NMHC Activities. The records may be in the form of notes, sketches, drawings, flow charts, electronic data or recordings, laboratory notebooks, or any other format.
 - a. The records will be available to and remain the sole property of NMHC at all times.
 - b. Covered Persons shall not remove such records from NMHC’s place of business or systems except as expressly permitted by NMHC.
 - c. Covered Persons shall deliver all such records (including any copies thereof) to NMHC at the time of termination of the relationship.
- B. Covered Persons acknowledge that they have no expectation of privacy with respect to NMHC’s telecommunications, networking or information processing systems (including, without limitation, files, e-mail messages, and voice messages) and that activity and any files or messages on or using any of those systems may be monitored or reviewed at any time without notice.

- C. Covered Persons may have performed work, activities, services or made efforts on behalf of or for the benefit of NMHC or related to the current or prospective business of NMHC in anticipation of involvement with NMHC, that would have been within the scope of the duties prior to the effective date of employment or affiliation (the “Prior Period”). If, during the Prior Period, Covered Persons received access to any information from or on behalf of NMHC that would have been Confidential Information if access to such information during the engagement of NMHC Activities or incorporated into any such item any pre-existing invention, then any such information shall be deemed “Confidential Information.”
- D. During the periods of time during which Covered Persons are restricted in taking certain actions by the terms of this policy (the “Restriction Period”), Covered Persons shall inform any entity or person with whom they may seek to enter into a business relationship (whether as an owner, employee, independent contractor or otherwise) of their obligations under this Policy. They acknowledge that NMHC may, with or without prior notice, notify third parties of these obligations. Upon written request by NMHC, Covered Persons will respond to NMHC in writing regarding the status of their employment or proposed employment with any party during the Restriction Period.
1. Notwithstanding the foregoing, the U.S. Defend Trade Secrets Act of 2016 (“DTSA”) provides that a Covered Person shall not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that is made (i) in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney; and (ii) solely for the purpose of reporting or investigating a suspected violation of law; or (iii) in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. In addition, DTSA provides that a Covered Person who files a lawsuit for retaliation by an employer for reporting a suspected violation of law may disclose the trade secret to the Covered Person’s attorney and use the trade secret information in the court proceeding, if the Covered Person (A) files any document containing the trade secret under seal; and (B) does not disclose the trade secret, except pursuant to court order.
 2. NMHC does not restrict participation or cooperation in a government or law enforcement agency investigation or proceeding, making truthful statements or disclosures relating to an unlawful employment practice, or actions expressly authorized by law or lawful process such as assisting or communicating with others about workplace issues.

APPENDIX B:
NMHC Confidential Information

Kristin Kurczewski
Director, Integrity

Effective Date: 08/30/2024

REVIEW HISTORY:

Written: 08/30/2024

APPENDIX C: TRADE SECRETS

Appendix C sets forth procedures and measures to protect information identified as trade secrets owned by NMHC and its entities and affiliates that shall affect all Covered persons.

- A. Trade Secret Definition. “Trade Secret” means information, including a formula, pattern, compilation, algorithm, program, device, method, know how, technique, or process that (i) derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain value from its disclosure or use; and (ii) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.
1. To determine if your information qualifies as trade secret information, you should follow NMHC policy, which requires you to submit a Disclosure Form to have the information assessed and labeled as a trade secret. While waiting confirmation that the information qualifies as a Trade Secret, it should be treated as such, which means that access should be limited, and it should be kept in a secure location. Information qualifying as a trade secret shall be identified as such by confidentiality disclaimers. Trade secret information shall be marked as “NMHC CONFIDENTIAL INFORMATION – DO NOT DISTRIBUTE”. Use, production, or disclosure is prohibited unless authorized in writing by NMHC.
 2. Protective Measures. Trade secrets will be maintained and protected according to NMHC standards. All trade secret information shall be stored on an NMHC controlled network that is password protected where the password is known only to those Covered Persons authorized to access such information. Additional encryption measures may be used where appropriate.
 3. Limited, Need-to-Know Access. Only those Covered Persons with authorization shall be able to access or use trade secret information. If the trade secret information must be shared between authorized Covered Persons, it shall be completed through a secure transfer means, such as encryption or secure file transfer. Trade secret information shall not be downloaded, stored, or sent or received to or from a personal email. A list of persons authorized to access trade secret information shall be maintained and an audit may be performed at any time. Unauthorized access or use of trade secret information is strictly prohibited.
 4. Monitoring and Auditing. NMHC shall conduct audits to ensure proper protections are maintained and access continues to be limited to only those Covered persons with permission. This information may be provided upon request.
 5. Consequences of Breaching. Access to trade secrets shall be limited to only authorized persons and through authorized means. Unauthorized access to trade secret information can lead to disciplinary action, termination, and/or legal action.
 6. On-Boarding Acknowledgment. At some point during the on-boarding process, a Covered Person shall acknowledge that they will not use or disclose trade secrets, inventions, and/or other proprietary and confidential information belonging to third parties.
- B. Remedies for Trade Secret Misappropriation. Trade secret misappropriation is governed by Illinois and Federal laws.
- C. Whistleblower Immunity Notice under the Defend Trade Secrets Act of 2016. A Covered Person will be immune from an action that would otherwise count as a trade secret misappropriation if the disclosure is made (i.) in confidence to a Federal, State, or local government official, either directly or indirectly, or to an attorney; and (ii.) solely for the purpose of reporting or investigating a suspected violation of law; or is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal (18 USC 1833(b)).

APPENDIX B:
Trade Secrets

Kristin Kurczewski
Director, Integrity

Effective Date: 08/30/2024

REVIEW HISTORY:
Written: 08/30/2024NM