



Tuesday, October 2, 2012

9:00 AM - 10:30 AM

904 – Innovation: How to Handle Ideas Your Company May or May Not Own

Thomas Feix

Senior Corporate Counsel - Patent
The Clorox Company

Brian Fukuji

Director, Commercial & Product Counsel
eBay Inc.

Erika Wilson

Intellectual Property Counsel
Honeywell International Inc.

Faculty Biographies

Thomas Feix

Thomas C. Feix is senior corporate counsel, director of patents for The Clorox Company, a global company which produces consumer products in a wide range of categories including: cleaning; laundry; home care; cat litter; charcoal; dressings and sauces; water-filtration; bags & wraps; natural personal care; and health care. In his role he oversees all patent issues, including portfolio development, product clearance and dispute management.

Prior to joining Clorox, Mr. Feix had his own patent, trademark & copyright practice and before that he was an associate at Rosenblum, Parish & Isaacs in San Jose, CA.

He currently serves as the Quick Hits co-chair on the ACC IP Committee.

Mr. Feix received a BA in mechanical engineering from University of California at Santa Barbara and is a graduate of Santa Clara University Law School.

Brian Fukuji

Brian Fukuji is the lead commercial counsel for eBay's global mobile business unit. He is primarily responsible for the compliance and product review of eBay's mobile applications and mobile/tablet web offerings and provides commercial legal advice for a wide variety of matters pertaining to the intersection of mobile application development/distribution and eBay's rapidly evolving commercial internet businesses.

His practice is focused on intellectual property (development, licensing, and enforcement), commercial transactions, user data/privacy, and consumer notice/protection.

Prior to joining eBay, Mr. Fukuji was commercial counsel at Glu Mobile (a mobile game developer and publisher) and senior manager of business affairs at Sony Computer Entertainment America (PlayStation hardware and games).

Mr. Fukuji received his BA in economics with a business concentration from UCLA, and his JD and high-tech certificate from Santa Clara University School of Law.

Erika Wilson

Erika S. Wilson is an attorney and entrepreneur with more than 13 years domestic and international corporate counsel experience across multiple technology and industrial sectors. Ms. Wilson is currently intellectual property counsel for Honeywell International Inc in Morristown, NJ. Her responsibilities include working with clients to protect their


intellectual property rights and provide incisive business reasoning and legal knowledge on invention disclosure submissions, patent application filings, global filing strategies, freedom-to-practice, assertion investigations, licensing/technology transfers, and M&A deals.

Prior to joining Honeywell, Ms. Wilson worked as in-house counsel with Pfizer Inc. and ExxonMobil Corporation. She also previously worked as a general litigation associate with Jones, Walker, Waechter, Poitevent, Carrère & Denègre LLP in New Orleans, LA.

Ms. Wilson serves as the NJ pro bono representative for Honeywell. Ms. Wilson also served as a board member and chair of the Over-Sight Committee for the One Stop Work Force investment board.

Ms. Wilson received a BS in chemical engineering from Tuskegee University and is a graduate of Vanderbilt University School of Law.


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Innovation: How to Handle Ideas Your Company May or May Not Own

Thomas C. Feix
Senior Corporate Counsel
The Clorox Company


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About Clorox

- Fortune 500 Company, 5.2 billion in Revenue, R&D spend < 2%
- CPG Company, Portfolio of Leading Brands

THE CLOROX COMPANY



- Patent protection often tails product launch

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Innovation at Clorox

- Consumer insights driven
 - Product driven
 - Technology driven
- Sources Vary by Business/Division
- Strengths
 - Understanding the consumer
 - Taking ideas to market
- Look to Partners for sources of Innovation

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Why Partner?

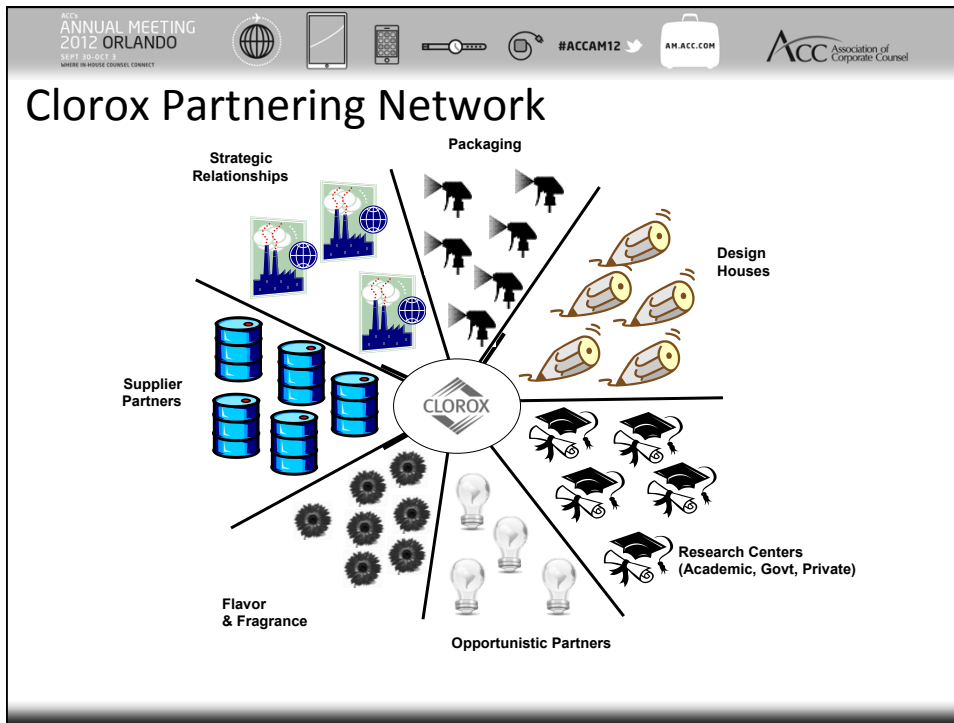
- Build virtual scale: apply partner expertise

Basic Research	Applied Research	Discovery / Development	Product Development
Clorox Partners			Clorox

- Leads to in-market differentiation:

Category	#patents
Clorox	~3,000
CPG Competitors	~2,000
Clorox Partners	~14,000

Gaining privileged access to Partner IP is Key




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Glad Business Example

- Virtual Joint Venture with P&G since 2003
 - In license of platform technology
 - JV R&D Team includes Clorox and P&G employees
 - Technology Scouting by Parent Companies
- Confidentiality & Firewalls




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Open Innovation through *CloroxConnects*[®]

- An internal-external innovation network (www.cloroxconnects.com)
- Open to all who want to work with Clorox
 - Partners/Suppliers
 - Inventors
 - Consumers



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CloroxConnects: Supplier Portal

- Private chat rooms for Core Suppliers:
 - Enables discussions; building through team input
 - Increases transparency
 - Decreases duplication of effort
 - Improves quality IP management
 - Win-Balance – supplier relations
 - Drives process – IP management
 - Creates institutional memory
 - Speeds evolution of practices – portal participants learn what works from each other

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CloroxConnects: Inventor Portal

For both solicited and unsolicited ideas

External partner to bridge inventor-Company relationship

- Evergreen IP: founded 2005, strong CPG experience, Venture funded
- Create low friction inventor-to-BigCo path
- Strong credibility with inventors



Principles

- EIP owns the inventor relationship – and wins when the inventor wins
 - Back-end compensation for successful commercialization
- Inventors sign on to a “standard deal”
 - Generous, but not “win lottery” (capped); tied to successful commercialization
- Clorox signs on to a “decide or you lose it/pay it” timetable
 - Pre-agreed deal terms, decision timetable drives action

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CloroxConnects: Consumer Portal

- How many participants?
 - 2700+ consumers
- Who are they?
 - Skew higher in women
 - Skew higher in middle age/income
 - Household size mostly 2 – 4
 - Majority are the shoppers
- Why are they here?
 - \$2000 quarterly contest draws them in
 - \$100 Near-Weekly surveys keep them active
 - Where do they come from?
 - Facebook, brand pages and websites, sweepstakes sites

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CloroxConnects: Employee Portal

- *!NNOVENT* - a platform to support employee ideation and collaboration
 - Round 1: social ideation, peer comments & suggestions, voting
 - Round 2: Top ideas (by votes) build business cases, receive connected-thinking trainings and cross-functional support
 - Round 3: Teams of 5 develop specific plans for top business cases, selected by panel of senior business leaders
- *CO\$TOVENT* – an idea development contest, similar to *!NNOVENT*, except with the focus on cost savings
- Supports employee engagement through cross-functional collaboration opportunities, incentives and recognition


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Closing Note: Importance of Firewalls


- Joint Venture
- Parallel path innovation work streams
 - Plural partners
 - Outside development vs. internal development
- Sample Firewall Playbook attached
 - Principles
 - Process
 - Protocols

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Innovation: How to Handle Ideas Your Company May or May Not Own

Brian Fukuji, eBay Inc.




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Introduction

- eBay: Not just an “online auction site”
- What are the drivers of innovation?
- Recognize where innovation can come from
- Mobile innovation = RAPID/SPEED



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eBay® “Enabling Commerce”

- eBay® Global Marketplaces
 - Online/Mobile
 - Adjacencies:
 - eBay® classifieds
Free, Friendly, Local
 - StubHub!
- PayPal® Global Payments
 - Online/Mobile
 - Point-of-Sale (Home Depot)
- gsi commerce® (eCommerce Solutions)
 - Toys R Us, NFL, Adidas

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eBay® Innovation: Driver


- *“We're focused on innovation and on serving our customers...”*
- **“Mobile continues to be a game changer, and eBay Mobile continues to be a leader with transacted mobile volume expected to double in 2012.”**
 - eBay mobile apps have been downloaded nearly 90 million times (global)
 - Sellers are listing almost 2 million items on mobile devices each week
 - A woman's handbag is purchased on eBay Mobile every 30 seconds
 - More than 8,000 cars and 340,000 car parts are sold each week through eBay mobile apps
 - New customers: In Q2, 600,000 new customers made their first purchase on eBay through our mobile apps

John Donahoe, CEO eBay Inc. (Q2 2012 Earnings Call)

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ebay Sources of Innovation

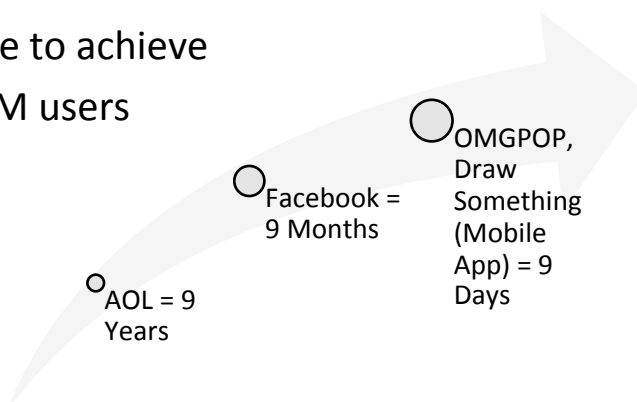
-  **x.commerce**: eBay/PayPal Developers
an eBay Inc. company
- Employee Patent Program (Skunkworks, Lab Rats, Inventors Club)
- M&A (RedLaser, GSI Commerce, Milo)
- Operational Excellence
- Our Customers!

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ebay Mobile: TIME

Time to achieve
1MM users




- AOL = 9 Years
- Facebook = 9 Months
- OMGPOP, Draw Something (Mobile App) = 9 Days

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 The Dark Side of Innovation:
aka The Lawsuit

- ACC July (2012) Lunch: Mobile Patent Wars (Ropes & Gray):
 - “Because of the convergence of technology, it may be that no industry is completely unaffected by the mobile patent wars.”
 - “Cases are expanding outside of smartphone litigation and into other industries: financial institutions, restaurants, airlines, websites, etc.”
 - Ex: Starbucks, Chipotle

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The Dark Side of Innovation:
aka The Lawsuit (con't)

- Cyberfone Systems '060 Patent for *“Telephone/Transaction Entry Device and System for Entering Transaction Data into Databases”*
 - Web: Amazon, eBay/PayPal
 - Travel: Priceline, Travelocity, Expedia
 - Airline: United, Delta, Southwest
 - Hotel: Hilton, Marriot, Starwood
 - Rental Car: Hertz, Avis

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ebay Practical Tip

- Ownership is key
 - You own it: Patent prosecution, Work-for-hire documentation, Trademark registration, Trade secret protection
 - You don't own it: LICENSE (broad, anticipate future uses/needs) = UGC, Open Source
- Risk (indemnity) follows ownership

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ebay Summary

- Know what is driving innovation and where innovation can come from
- Clarify ownership (early) and secure rights (own vs. license)
- Mobile = Lawsuit! Be EXTRA careful when working in this fast moving, litigious space (see Mobile Legal Checklist)

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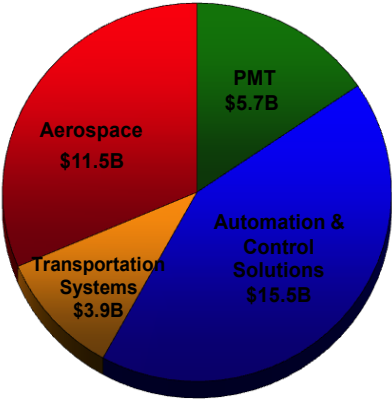
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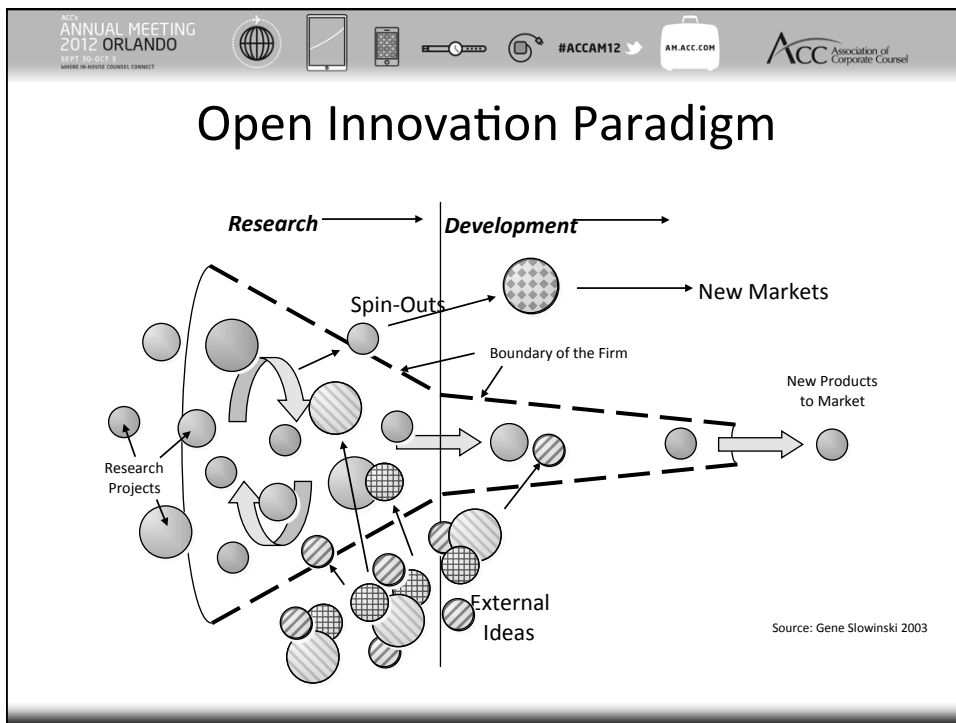
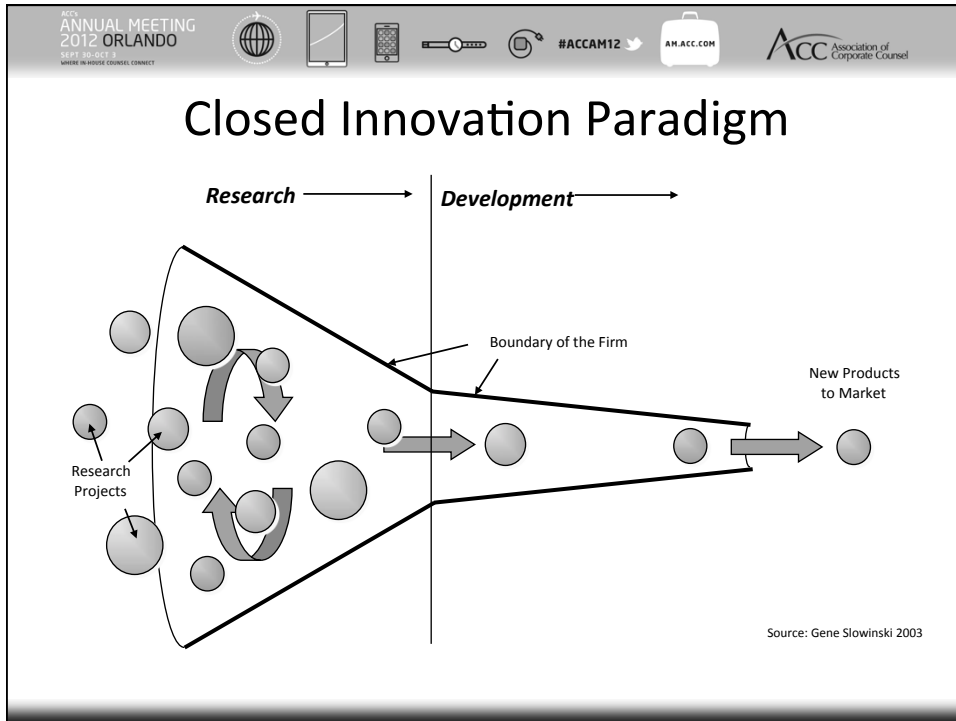
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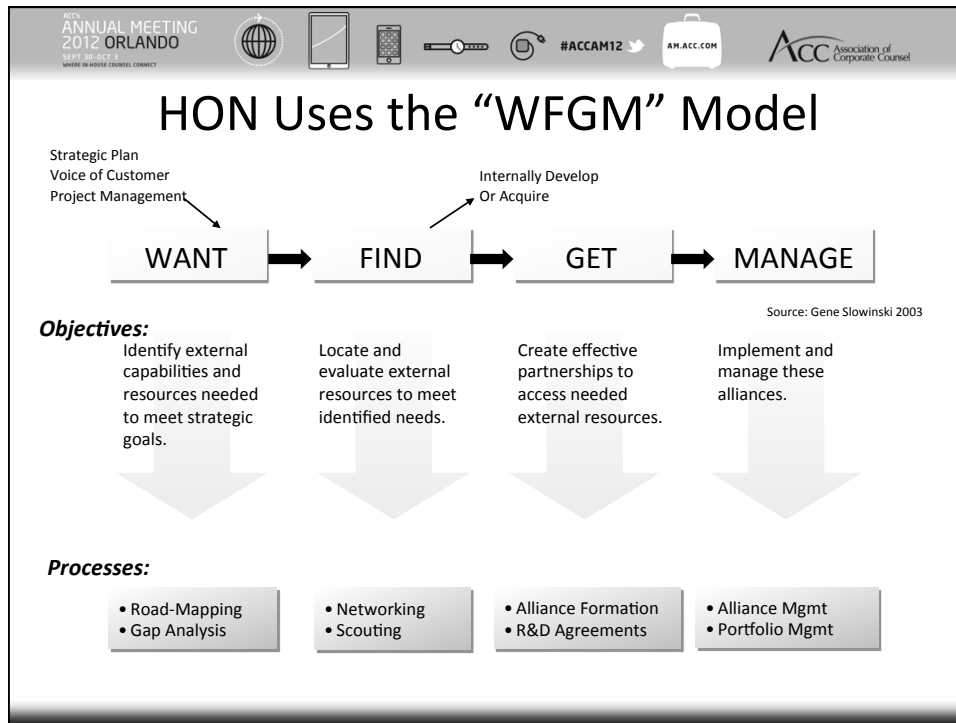
Honeywell International Inc.

- 120,000 employees in more than 100 countries
- A Fortune 100 company – \$36.5 billion in 2011



Segment	Revenue
Aerospace	\$11.5B
PMT	\$5.7B
Automation & Control Solutions	\$15.5B
Transportation Systems	\$3.9B





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Types of Open Innovation Activities at HON

Activity	Description
Nondisclosure Agreement	A preliminary sharing of confidential information. Each side evaluates whether it is in their strategic interest to enter into some form of collaboration with the other.
Joint Development Agreement	Co-development project, usually with other companies. Each party usually bears its own costs and shares ownership and rights in the resulting intellectual property or "Foreground IP".
Research Agreement	Usually with educational institutions. HON provides funding for research in a specified area, with specified deliverables. IP terms vary with the institution.
Consulting Agreement	Consultants are engaged based on their expertise in a particular field, to deliver a specific work product to HON.
Service Agreement	Provision of services by qualified suppliers, per HON specifications. (e.g. lab analyses, pilot plant services).
Consortium	Agreement between several independent organizations to undertake project requiring skills/resources not available in any single organization.
Grant	Financial award to institution/individual, specific research area, no specific deliverables.

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Types of Commercial Arrangements at HON

Activity	Description
Acquisition	HON may occasionally acquire other companies with unique capabilities and intellectual property (IP) that fit our strategic plan.
Joint Venture	A separate company is established with joint ownership between HON and one or more partners. Sometimes used when the new technology does not fit neatly into one of HON's existing core businesses.
Alliance	A very common structure in which HON forms a partnership with one or more companies to pursue a new business opportunity. Each party brings unique capabilities, bears its own costs, and shares in the profit.
Marketing	HON sometimes agree to provide worldwide sales and marketing for an existing technology.
Tolling	HON often produces custom products for others, according to their specifications. Also, HON often hires others to produce products or equipment for us, according to our specifications.
IP Purchase/License	HON sometimes acquires intellectual property (IP) from others through an outright purchase or license. Usually the IP owner does not intend to exploit the technology themselves, but it fits with HON's strategic plan.






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Agreement Obstacles (Define Early)

- Poorly defined business objectives
- Intellectual Property Ownership (Joint, Background, Improvements)
- Objective definition of "success" in joint development
- Exploitation rights for successful R&D work product
- Exclusivity


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Q&A

- Questions



- Thomas Feix
- Brian Fukuji
- Erika Wilson

Mobile Application Legal Checklist

Rev. xx

Application Name:

Version:

Platform:

Product Manager:

Developer:

Final Submission Date:

Application Background			
General description of App and intended functionality	[Replace this text with a brief description of the App]		
Unique Functionality			
	Yes	No	Comments
Does the App contain any unique functionality?	<input type="checkbox"/>	<input type="checkbox"/>	[Please list all unique functionality]
Intellectual Property			
	Yes	No	Comments
Has the App name been cleared as a trademark?	<input type="checkbox"/>	<input type="checkbox"/>	[Replace this text with your comments, if any]
Does the App contain any non-COMPANY trademarks?	<input type="checkbox"/>	<input type="checkbox"/>	[If yes, please list all trademarks]
Does the App contain any patented material (code, process, function)?	<input type="checkbox"/>	<input type="checkbox"/>	[If yes, please list ALL patents]
Does the App contain any Open Source software?	<input type="checkbox"/>	<input type="checkbox"/>	[If yes, please list ALL open source. Attach additional sheets, if necessary]
Does the App contain any non-COMPANY created/owned software (i.e. software that must be licensed)?	<input type="checkbox"/>	<input type="checkbox"/>	[If yes, please list ALL software. Attach additional sheets, if necessary]
Does the App contain any photos, pictures, or non-COMPANY created images?	<input type="checkbox"/>	<input type="checkbox"/>	[If yes, please list or attach JPEGs]
Does the App contain images of any persons, models, or actors?	<input type="checkbox"/>	<input type="checkbox"/>	[If yes, please list]

Confidential

04 904 274_20_Mobile Application Checklist - ACC Aug 2012.docx

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Project Initiation Checklist

Privacy		
		Comments
Which of the following data elements are collected by the App? Check all that apply.	<input type="checkbox"/> User Name <input type="checkbox"/> Password <input type="checkbox"/> Email Address <input type="checkbox"/> Physical Address <input type="checkbox"/> Telephone Number <input type="checkbox"/> Date of Birth / Age <input type="checkbox"/> Language/Country Preferences <input type="checkbox"/> Image of User <input type="checkbox"/> UDID <input type="checkbox"/> Cookie ID <input type="checkbox"/> IP address <input type="checkbox"/> Geo-location / GPS co-ordinates* <input type="checkbox"/> Financial data (Bank Account, Credit Card, Debit Card, etc.) <input type="checkbox"/> Government issued IDs (SSN, Tax ID, Passport, Driver's License, etc.) <input type="checkbox"/> Nationality <input type="checkbox"/> Gender <input type="checkbox"/> Ethnicity <input type="checkbox"/> Religion <input type="checkbox"/> Trade Union membership <input type="checkbox"/> [OTHER: Please list data]	
If data is collected, what data will be encrypted at rest?		[Please list data]
If data is collected, what data will be encrypted in transit?		[Please list data]
If data is collected, how will the collected data be used?		[Please describe the basic use case in terms of personal data flow]
If data is collected, where will this (cached) data be stored?		[Please list ALL locations, organizations, legal entities that will store this (cached) data including any public cloud virtualized storage and the mobile device itself]
How will the above user data be integrated with other COMPANY user data warehouses?		[Please provide use case and name systems]
How long will stored data be retained?		[Insert time period]
If the App utilizes Geo-location or GPS*, how will the GPS functionality be activated?		[Please describe activation mechanism]

Project Initiation Checklist

If the App utilizes Geo-location or GPS*, how will the App use this data?			[Please describe ALL uses of Geo-location or GPS data]
	Yes	No	Comments
Does this App contain "share functionality" (e.g. Facebook, Twitter, refer-a-friend, email, etc.)?	<input type="checkbox"/>	<input type="checkbox"/>	[If yes, list all methods in which a user can share data or information related to this App AND list what exactly a user can share (e.g. photos, contacts)]
Do you need to test the App with live (identifiable) data?	<input type="checkbox"/>	<input type="checkbox"/>	[If yes, please provide reason why]
Is there a process for users to request their data is deleted?	<input type="checkbox"/>	<input type="checkbox"/>	[If yes, please describe the process]
Does the App support advertising?	<input type="checkbox"/>	<input type="checkbox"/>	[If yes, please describe the basic use case in terms of the ad serving flow -- including if the advertising is behavioral, geo-location-based, contextual, or retargeting]
User Consent Mechanism			
	Yes	No	Comments
Does this App contain a mechanism for users to consent to Terms of Use and Privacy Policy?	<input type="checkbox"/>	<input type="checkbox"/>	[If yes, please describe consent mechanism]
Localization (All Legal Disclaimers must be translated/reviewed by local Legal Team)			
	Yes	No	Comments
Will this App need to be localized for territories outside the US?	<input type="checkbox"/>	<input type="checkbox"/>	[If yes, list ALL territories]
Will translation be handled <u>internally</u> ?	<input type="checkbox"/>	<input type="checkbox"/>	[Replace this text with your comments, if any]
If translation will be handled <u>externally</u> , who will do the translation?			[Insert Name/Company]
Distance Selling and E-Commerce Laws (EU only)			
	Yes	No	Comments
Does the App show "incl. VAT" indication next to/below item price for business seller listings (DE only)?	<input type="checkbox"/>	<input type="checkbox"/>	<i>To comply with German Price Ordinance business sellers must indicate that the item price includes VAT.</i>
If the App allows selling of goods, the following must be presented to a buyer prior to a purchase:	<input type="checkbox"/>	<input type="checkbox"/>	<i>To comply with EU Distance Selling and E-Commerce Laws listings of business sellers must show certain legal information in a clear and</i>

Project Initiation Checklist

<ul style="list-style-type: none"> - item title and subtitle - item price - shipping costs - shipping destinations - item condition - payment method(s) 			<p>comprehensible manner.</p> <p><i>Best practice: Include Seller contact details, return policy and add'l T&Cs of the Seller.</i></p>
<p>Does the buying/purchase flow contain a review and confirm step with respective legal messaging?</p>	<input type="checkbox"/>	<input type="checkbox"/>	<p><i>To comply with EU Distance Selling and E-Commerce Laws users must be provided with technical means to correct or abort a purchase order or service (review & confirm step).</i></p>
Strike-through Pricing & Minimum Advertised Price			
	Yes	No	Comments
<p>Does the App show strike-through pricing (STP) or minimum advertised price (MAP)?</p>	<input type="checkbox"/>	<input type="checkbox"/>	<p><i>If the App shows STP and/or MAP it must be displayed including relevant legal disclaimers.</i></p>
Key Application Dates			
	Yes	No	Comments
<p>Start Date (Development)</p>	<input type="checkbox"/>	<input type="checkbox"/>	<p>[Replace this text with your estimated Start Date in this format: mm/dd/yyyy]</p>
<p>Bug Hunt</p>	<input type="checkbox"/>	<input type="checkbox"/>	<p>[Replace this text with your estimated Bug Hunt Date in this format: mm/dd/yyyy]</p>
<p>Estimated Completion</p>	<input type="checkbox"/>	<input type="checkbox"/>	<p>[Replace this text with your Est. Completion Date in this format: mm/dd/yyyy]</p>
<p>Final Submission Date</p>	<input type="checkbox"/>	<input type="checkbox"/>	<p>[Replace this text with your Final Submission Date in this format: mm/dd/yyyy]</p>

Actions

ID	Action Item	Assigned To	Due By
			[mm/dd/yyyy]
			[mm/dd/yyyy]
			[mm/dd/yyyy]

Project Initiation Checklist

Additional Comments

[Replace this text with comments.]



**PLAYBOOK
FOR IMPLEMENTING AND DOCUMENTING
FIREWALL GROUP PROTOCOLS**

- Form of Acknowledgement of Confidential Firewall Group Information Received for Projects that are Wholly Confidential Non-Public Information
- Form of Acknowledgement of Confidential Firewall Group Information Received for Projects that include both Public and Material Non-Public Information
- Firewall Group Coordinator Tracking Form

**Collectively Known as
“Firewall Group Forms”**

This Playbook for Implementing and Documenting Firewall Group Protocols (the "Playbook") has been prepared by Legal Services as a training tool to assist you in implementing the form of Acknowledgement of Confidential Firewall Group Information Received and the Firewall Group Coordinator Tracking Form (collectively, the "FIREWALL GROUP FORMS") with your Firewall Group members.

This Playbook contains confidential and proprietary business information and must not be shared with or disclosed to anyone outside of the Company. All copies of this Playbook should be returned to the Company if you depart from Clorox.

If you plan to print this Playbook for use in hardcopy form, we suggest that you also print the information from various Legal Services web pages that are linked throughout the Playbook. Also keep in mind that information such as contact names and addresses may change from time to time, so when in doubt, check the relevant web pages directly for the most up-to-date information. In addition, the linked documents throughout this Playbook can be found on the Legal Services website.

If you have questions or comments regarding this Playbook (including suggestions for how we can make it a more effective tool), please see the section titled "Who to Contact for Help."

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SECTION 1 – GENERAL GUIDANCE RELATED TO FIREWALL GROUP FORMS

What is the purpose of Informational Firewalls?

An informational firewall is an information barrier implemented within [REDACTED] to separate and isolate persons who make investment, business or research directional decisions from persons who are privy to undisclosed confidential information of a third party. Persons within [REDACTED] may be provided with different levels of access to and understanding of a third party's confidential information within a Firewall team.

An information firewall can also be an information barrier implemented within [REDACTED] to separate and isolate persons who are in possession of material non-public information about a specific Clorox project that is wholly confidential from the general [REDACTED] population.

What does it mean to be "inside" an Informational Firewall?

If you are "inside" an informational firewall, this means you are in a working group that may receive material non-public information about a third party that is protected by their confidentiality or intellectual property rights. Using this information inappropriately, or intentionally or unintentionally sharing this information with another who may use this information inappropriately, could be an infringement of third party intellectual property or confidentiality rights.

Additionally, if the existence of the project is wholly confidential, using any information about the existence or nature of the project inappropriately, or intentionally or unintentionally sharing this information with another who may use this information inappropriately, could also be considered "insider trading," which is a serious violation of securities laws. Please review [REDACTED] Corporate Policy Number [REDACTED] Insider Trading [insert web link] if you are participating in a Firewall Group for a project that is wholly confidential.

Either scenario can have costly legal implications to [REDACTED] and possibly also for you personally.

What are FIREWALL GROUP FORMS and when and why do you need them?

There are three types of Firewall Group Forms:

1. A **Form of Acknowledgement of Confidential Firewall Group Information Received for Projects that are Wholly Confidential Non-Public Information** is an acknowledgement by each Firewall Group member that: (a) documents your pledge to preserve strict confidentiality regarding the existence of and all information within the scope of the Firewall Group project; and (b) identifies whether you are in possession of confidential or proprietary information of a third party that creates a need for ongoing conflict of interest management when you leave the Firewall Group.
2. A **Form of Acknowledgement of Confidential Firewall Group Information Received for Projects that include both Public and Material Non-Public Information** identifies whether you are in possession of confidential or proprietary information of a third party that creates a need for ongoing conflict of interest management when you leave the Firewall Group.
3. A **Firewall Group Coordinator Tracking Form** is utilized only by the Firewall Group Coordinator as a check and balance to assure that the authorized membership of a Firewall Group is clearly designated for the information of all members of the group, and that the dates of entry and exit of each Firewall Group member are on record.

Using FIREWALL GROUP FORMS protects both you personally and [REDACTED] by assuring that you have no conflict of interest before you enter a Firewall Group, no misunderstanding about your membership in a Firewall Group, no confusion about the time period during which you are privy to confidential information within a Firewall Group, and no confusion about any ongoing informational conflicts of interest and/or confidentiality obligations you may have after exiting a Firewall Group. You should make sure that FIREWALL GROUP FORMS are appropriately utilized and updated upon your entry and again upon your exit from any Informational Firewall Group.

What are some best practices before using FIREWALL GROUP FORMS?

Before agreeing to become a member of an Informational Firewall Group, you should:

1. Have a candid discussion with the Firewall Group Coordinator to be sure that you do not have conflicts of interest that might prevent you from working with this group.
2. Determine from the Firewall Group Coordinator what protocols are in place to protect the information within the Firewall Group, and ascertain that you are able to comply.
3. Obtain information about the identities and access levels of other Firewall Group members from the Firewall Group Coordinator to assure that you know who you may safely communicate with about Firewall Group information.

How do I find the FIREWALL GROUP FORMS?

The Company's current standard forms for FIREWALL GROUP FORMS are attached to this Playbook at pages 14-17 and are available at [insert web link]. Please note that there three types of FIREWALL GROUP FORMS(s).

1. The Form of Acknowledgement of Confidential Firewall Group Information Received for Projects that are Wholly Confidential Non-Public Information can be found on page 9.
2. The Form of Acknowledgement of Confidential Firewall Group Information Received for Projects that include both Public and Material Non-Public Information can be found on page 10.
3. The Firewall Group Coordinator Tracking Form can be found on page 11.

Who do I contact for help with FIREWALL GROUP FORMS?

Where to send your completed FIREWALL GROUP FORMS:	[SBU ATTORNEY/Paralegal] Phone: INSERT E-mail: INSERT mailto:
For help completing FIREWALL GROUP FORMS:	[SBU ATTORNEY/Paralegal] Phone: INSERT E-mail: INSERT mailto:
For feedback regarding this Playbook or any other questions regarding FIREWALL GROUP FORMS:	[REDACTED]

SECTION 2 – PURPOSE AND BENEFITS OF INFORMATIONAL FIREWALL GROUPS

An informational firewall is an information barrier implemented within ██████ to separate and isolate persons who make investment, business or research directional decisions from persons who are privy to undisclosed confidential information of a third party. Persons within ██████ may be provided with different access to and understanding of a third party's confidential information within a Firewall Group.

When evaluating the confidential information of third parties, the use of a Firewall Group may be helpful in:

- Avoiding potential conflicts of interest by limiting the number and access of ██████ personnel to confidential information.
- Determining the scope of any Insider Trading concerns (see ██████ Insider Trading Policy at [insert web link]).
- Evaluating the third party's confidential technical information where ██████ is internally working (or recently has worked) a related product, project or technical capability.
- Evaluating the third party's confidential technical information where ██████ is working (or has worked) with a second third party on a related product, project or technical capability.

An information firewall can also be an information barrier implemented within ██████ to separate and isolate team members who are in possession of material non-public information about a specific ██████ project that is wholly confidential from the general ██████ population.

██████ has adopted reasonable policies and procedures to safeguard the confidential information of third parties with whom we are dealing, and to ensure that no conflict of interest or unlawful trading arises from the exchange of third party confidential information with ██████ or the possession of material non-public information by ██████ team members.

SECTION 3 – FIREWALL GROUP STRUCTURE

1. If the project is confidential to the general ██████ population, the project is considered wholly confidential and the entire project team is completely inside the Firewall Group.
2. Within the Firewall Group, members will generally be differentiated between the Business Team and the Technical Team.
3. Within each of the Business Team and the Technical Team, members will have clearly defined roles and responsibilities to maintain three discrete levels of access to and the resultant obligations flowing from the third party confidential information:
 - a. Public – no third party confidential information is shared with this person. They may have general knowledge of the Project but do not participate in evaluation, analysis or decision-making. Examples include: information from websites, marketed products, public governmental documents and filings, published or issued intellectual property, technical writings, etc.

- b. Non-Limiting Confidential – some general third party confidential information is shared with this person. This type of person will typically make high-level decisions, but does not need and is not provided intimate knowledge of finances, marketing, legal, technical issues, etc. Knowledge of this kind would be specific to the person's role at [REDACTED] and would not limit the person from making similar decisions on future projects, whether or not such projects are related by business or technology to the current Project.
- c. Limiting Confidential – intimate third party confidential information is shared with this person. This person will often be involved intimately in evaluating the details of the third party confidential information and will make recommendations to the Project team, particularly to those decision-makers who are Non-Limiting Confidential persons, regarding success against the defined Project goals, milestones, value and strategy. Knowledge of this kind may limit the person from working on future projects which relate to a similar business or technology. Potential conflicts should be vetted through the Firewall Coordinator and Legal Department.

SECTION 4 – FIREWALL GROUP PROTOCOLS

1. Each project team should immediately identify a Firewall Group Coordinator (ideally a representative from Legal Services).
2. The Firewall Group Coordinator should immediately implement use of the Firewall Group Coordinator Tracking Form to record the identity and access level of each Firewall Group member, and their dates of entry to and exit from the Firewall Group.
3. The project leaders, in consultation with the Firewall Group Coordinator, should try to limit the number of personnel who are Limiting Confidential members by strategically segregating internal resources and obtaining neutral (i.e. outside of [REDACTED]) assistance if necessary.
4. The project leaders, in consultation with the Firewall Group Coordinator, should structure project team meetings to preserve the integrity of Firewall Groups, e.g. avoid contaminating people by exposing them to inappropriate information for their access level.
5. Firewall Group members who are in the Public or Non-Limiting Confidential Groups may move ("elevate") to the Limiting Confidential Group by intentional or inadvertent contamination with highly confidential third party information.
6. Team members may not "clean" themselves of Non-Limiting or Limiting Confidential Information. Any inadvertent or unintentional contamination should be addressed through the Firewall Group Coordinator.
7. All additions to the project team should be added into a Firewall Group (e.g. Public Business, Public Technical, Non-Limiting Business, Non-Limiting Technical, Limiting Business, Non-Limiting Technical) by the Firewall Group Coordinator.
8. Any changes to the level of access of members of the project team should be routed through the Firewall Group Coordinator.
9. Each person should monitor the type of information they receive/give on the project and ensure that it "fits" within the Firewall Group to which they are currently assigned. The Firewall Group Coordinator should be alerted if a person suspects or knows that he/she has received information that would elevate them to a higher Firewall Group.

SECTION 5 – AVAILABLE FIREWALL GROUP FORMS TEMPLATES

The Company's current standard forms for FIREWALL GROUP FORMS are attached to this Playbook at pages 9-11 and are available at [insert web link]. Please note that there three types of FIREWALL GROUP FORMS(s).

The first type of FIREWALL GROUP FORM can be found on page 9 for **Acknowledgement of Confidential Firewall Group Information Received for Projects that are Wholly Confidential Non-Public Information.**

The second type of FIREWALL GROUP FORM can be found on page 10 for **Acknowledgement of Confidential Firewall Group Information Received for Projects that include both Public and Material Non-Public Information.**

The third type of FIREWALL GROUP FORM can be found on page 11 and is a **Firewall Group Coordinator Tracking Form.**

SECTION 6 – WHAT TO DO WITH YOUR SIGNED FIREWALL GROUP FORMS

The following items must be sent to Legal Services (please see the FIREWALL GROUP FORMS Contact List in the section of this Playbook titled "Who Do I Contact for Help with Firewall Group Forms?" for instructions):

1. A PDF copy of your signed FIREWALL GROUP FORM upon your entry to and exit from any and all Firewall Groups;
2. The original signed FIREWALL GROUP FORM upon your entry to and exit from any and all Firewall Groups; and
3. If you are the Firewall Group Coordinator, the original and a PDF copy of your completed and signed FIREWALL GROUP COORDINATOR TRACKING FORM upon completion of the project, or at any time during the project term on request.

You will be provided with an acknowledgement of Legal Service's receipt of your original signed FIREWALL GROUP FORM.

APPENDIX A – Form of Acknowledgement of Confidential Firewall Group Information Received for Projects that are Wholly Confidential Non-Public Information

APPENDIX B – Form of Acknowledgement of Confidential Firewall Group Information Received for Projects that include both Public and Material Non-Public Information

APPENDIX C – Firewall Group Coordinator Tracking Form

**Acknowledgement of Confidential Firewall Group Information Received
for Projects that are Wholly Confidential Non-Public Information**

Your Name: _____ **Project:** _____

To be completed at the start of your work on the above Project:

- I acknowledge that I am aware that the existence of the above Project is material non-public information that must be held in strict confidence.
- I acknowledge that I may also receive the confidential or proprietary information of a third party while working on the above Project.
- I agree to maintain the confidential and proprietary nature of all such information and take all reasonable steps to prevent its intentional or unintentional disclosure to parties outside of _____ or to persons within _____ who are not within the Firewall Group for the above Project.

Signed: _____

Print Name: _____

Date: _____

To be completed at end of your work on the above Project:

- I confirm that I am aware that the existence of the above Project is material non-public information, and I agree to continue to take all necessary steps to prevent the intentional or unintentional disclosure of the existence of this Project to parties outside of _____ or to persons within _____ who are not within the Firewall Group for the above Project.
- I confirm that I received only publicly-available information of _____ (insert third party company name(s)) while working on the above Project.
- I confirm that I received confidential or proprietary information of _____ (insert third party company name(s)) while working on this Project. I am aware of my ongoing confidentiality obligations as a result of receiving such confidential or proprietary information and agree to continue to take all reasonable steps to prevent the intentional or unintentional disclosure to parties outside of _____ or to persons within _____ who are not within the Firewall Group for this Project.

Signed: _____

Print Name: _____

Date: _____

**Acknowledgement of Confidential Firewall Group Information Received
for Projects that include both Public and Material Non-Public Information**

Your Name: _____

Project: _____

To be completed at the start of your work on the above Project:

- I acknowledge that I may receive the confidential or proprietary information of a third party while working on the above Project.
- I agree to maintain the confidential and proprietary nature of such information and take all reasonable steps to prevent its intentional or unintentional disclosure to parties outside of _____ or to persons within _____ who are not within the Firewall Group for the above Project.

Signed: _____

Print Name: _____

Date: _____

To be completed at end of your work on the above Project:

- I confirm that I received only publicly-available information of _____ (insert company name(s)) while working on the above Project.
- I confirm that I received confidential or proprietary information of _____ (insert company name(s)) while working on the above Project. I am aware of my ongoing confidentiality obligations as a result of receiving such confidential or proprietary information and agree to continue to take all reasonable steps to prevent the intentional or unintentional disclosure to parties outside of _____ or to persons within _____ who are not within the Firewall Group for the above Project.

Signed: _____

Print Name: _____

Date: _____