

GUIDELINES FOR UBC STAFF AS SHAREHOLDERS

These guidelines apply to investments by UBC staff members in licensees of UBC technology. They were developed by the Vice-President Research & Innovation, and approved by the Board of Governors on June 29, 2023 pursuant to the Procedures associated with the Technology Equity Policy (LR8).

Non-inventor UBC staff members who are contemplating the acquisition of equity in a spin-off company must notify their Administrative Head of Unit of their intention to hold equity in a spin-off, along with any other financial interest in the spin-off. The Administrative Head of Unit must consider the potential for a COI and determine if a management plan is needed and if one can be put in place that limits the extent to which UBC's interests could be harmed. Non-inventor UBC staff members must disclose any COI in the Staff COI system managed by UBC's Office of the University Counsel. The declaration should be updated at least annually until such time as the spin-off company becomes publicly listed and traded, or the non-inventor UBC staff member disposes their holdings. The management plan must also include steps to prevent the access to or use of non-public information, people, or technology by the non-inventor UBC staff member for personal benefit.

There are situations when a COI arising from a non-inventor UBC staff member acquiring equity in a spin-off company cannot be effectively managed and would, therefore, not be allowed. For example, this type of situation could occur when the non-inventor UBC staff member has, or has access to, confidential information related to the spin-off company as part of their employment duties at UBC, and would include, but not be limited to, non-inventor UBC staff members employed in aspects of spin-off company creation. Examples of such individuals are non-inventor UBC staff members within the UILO and entrepreneurship@UBC units under the Vice-President Research & Innovation portfolio. In order to ensure no present or potential future COI, non-inventor UBC staff members in units such as these should not personally invest in spin-off companies that are not yet publicly listed or traded.

If a declared conflict cannot be effectively managed, then an equity holding in a spin-off company for that specific non-inventor UBC staff member would not be permitted. If a non-inventor UBC staff member is denied their request to purchase equity in a spin-off company, they may appeal the decision to the person immediately superior to the Administrative Head of Unit. After considering the appeal, the decision of that person will be final.

Careful consideration must be given to the possibility that a non-inventor UBC staff member wishing to acquire or sell equity in a spin-off company possesses information not available to the public related to the operations and performance of the spin-off company. Such information used in the decision to purchase or sell shares could constitute insider trading, and can result in penalties under British Columbia's *Business Corporation Act* and/or the *Canada Business Corporations Act*. It is the sole responsibility of non-inventor UBC staff members to make sure they comply with applicable securities laws.

Non-inventor UBC staff members acquiring equity in a spin-off must agree to indemnify UBC against any and all charges, fines, penalties or other penalty should their participation lead to the imposition of same against UBC.