



## Klarman Family Foundation Grants Program in Eating Disorders Research

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### Terms of Award

The Klarman Family Foundation Grants Program in Eating Disorders Research makes awards to nonprofit academic, medical or research institutions throughout the United States, Canada and Israel (the “Award Recipient Institution” or the “Institution”) on behalf of Principal Investigators (the “Award Recipients”). By accepting the Award, the Award Recipient Institution and the Award Recipient agree and consent to the following terms and conditions:

**Award Amount and Funding Period:** Two-Year Awards totaling \$400,000 USD (\$200,000 per year) and One-Year Pilot Studies of up to \$150,000 USD (each, an “Award”) will be awarded for the funding period of June 1, 2014 – May 31, 2016 and June 1, 2014 – May 31, 2015 respectively (the “Funding Period”). The start date may be postponed for up to three months without a formal request. Longer delays must be approved by The Klarman Family Foundation (the “Foundation”). A delayed start date will not reduce the total Funding Period (i.e., a project start date of September 1, 2014 will revise the two-year project end date to August 31, 2016 or the one-year project end date to August 31, 2015).

**Institutional Assurances:** The Award Recipient is expected to adhere to all national, state and local laws and regulations regarding the use of animals, biologic samples, radioactive or hazardous materials, and recombinant DNA in this research project. If applicable, the Award Recipient is expected to adhere to all national, state and local laws and regulations regarding human studies, including informed consent. The appropriate national, state, and local guidelines with regard to scientific misconduct must also be in place and enforced at the Award Recipient Institution.

It is the Institution’s responsibility to make sure that all legally required approvals regarding use of animals or human subjects are in place prior to releasing any Award funds. The signatures of the Authorized Institutional Representative on the Application Face Sheet and the Institutional Officer on the “Institutional Officer Acceptance Agreement” confirm that the Institution has obtained all such approvals, and that such approvals will continue to be valid and effective through the duration of the Funding Period.

**Scientific Misconduct:** The Foundation also requires that the appropriate national, state, and local guidelines with regard to scientific misconduct are in place and enforced at the Institution. In the unlikely event that an Award Recipient is involved in an investigation of scientific and/or financial

misconduct, he or she will be subject to the procedures in place at the Institution. The Institution must notify the Foundation of both the investigation and the procedures that the Institution will follow. According to the NIH/U.S. Department of Health and Human Services, research misconduct is defined as the “fabrication, falsification, or plagiarism in proposing, performing, or reviewing research, or in reporting research results.” A finding of scientific and/or financial misconduct must be reported to the Foundation and may affect the Award Recipient’s continued eligibility for support under this Program.

**Management and Use of the Award Funds:** The Institution is responsible for the administrative and financial management of the project, including any subcontracts, and maintaining adequate supporting records and receipts of expenditures.

The Klarman Family Foundation Eating Disorders Research grants may be used to support salaries and fringe benefits, laboratory and data processing supplies, other direct expenses such as equipment and supplies essential to the project, travel to scientific meetings and publication of scientific data. Salaries must be in proportion to the percent effort on the research project. However, percent effort may exceed the percent of total compensation requested in the budget submitted to the Foundation. Award funds may not be used for new construction, the renovation of existing facilities, endowments, any political activity or accumulated deficits. Funds awarded for the direct costs of the project may not be used for general operating costs.

**Indirect costs** (institutional overhead) may not exceed 10% of direct costs or a maximum of \$18,182 each year for the \$400,000 Two-Year Award and up to \$13,634 for the maximum \$150,000 One-Year Pilot Study. The annual amount, including overhead, is up to \$200,000 per year over the two-year Funding Period or up to \$150,000 for the One-Year Pilot Study.

In instances where there is a subcontract, the combined dollar amount for indirect costs taken by both the Award Recipient Institution and the contracting institution may not exceed \$18,182 each year for the \$400,000 Two-Year Award and up to \$13,634 for the maximum \$150,000 One-Year Pilot Study. The grant monies which have been awarded, including any interest earned thereon, may only be used for the purposes stated in this Terms of Award.

**Re-Budgeting:** Expenditures are expected to be within reasonable range of the Budget that was submitted with the grant application. Requests for re-budgeting or reallocation of Award funds over \$20,000 must be conveyed by email to the Grants Manager, Erin Peterson, at [epeterson@klarmanfoundation.org](mailto:epeterson@klarmanfoundation.org). The request must include the current allocation of funds along with specific detail and justification for the reallocation.

**Reporting Requirements:** Year 2 funding for the Two-Year Award is contingent upon the timely submission of progress and expenditure reports and a satisfactory assessment of the Award Recipient’s progress by the Scientific Review Committee.

Each April, throughout the Funding Period, Award Recipients will furnish a Research Progress Report and an Expenditure Report to the Foundation. Final Research Progress and Expenditure Reports are due sixty (60) days following conclusion of the Funding Period. Report forms will be made available on the Foundation web site or emailed to Award Recipients ahead of time. All reports must be emailed to the Grants Manager,

Erin Peterson, at [epeterson@klarmanfoundation.org](mailto:epeterson@klarmanfoundation.org). The Foundation reserves the right to withhold unpaid grant installments if the Award Recipient fails to provide timely Research Progress and Expenditure Reports.

**Financial Responsibilities of Award Recipient Institution:** The Institution will keep systematic records of all expenditures relating to this Award. Vouchers consisting of bills, invoices, cancelled checks, receipts, etc. will be retained by the Institution for seven (7) years after the close of the Funding Period and will be available for inspection by representatives of the Foundation during normal business hours and upon reasonable notice throughout the Funding Period and the subsequent record retention period. The Foundation may, at its own expense, examine, audit, or have audited the records of the Institution insofar as they relate to activities supported by this Award.

**Carryover of Funds:** For the Two-Year Awards, any funds remaining at the end of Year 1 of the Funding Period may be carried over to Year 2 and incorporated into that year's budget.

**No-Cost Extension:** For both the One and Two-Year Awards, a **no-cost extension for up to nine months** may be granted upon email notification to the Grants Manager, Erin Peterson, at [epeterson@klarmanfoundation.org](mailto:epeterson@klarmanfoundation.org). This communication must include an explanation for the extension, the unexpended balance, and a timeline for completing the project. Any funds remaining at the close of the extended Funding Period must be returned to the Foundation within sixty (60) days. Final Research Progress and Expenditure Reports will be due sixty (60) days following the completion of the extension.

**Transfer or Termination of Award:** Awards are paid to the Institution where the named Award Recipient is conducting research. If the Award Recipient is planning a move to another nonprofit research institution during the Funding Period, transfer of funds to continue the project must be requested via email to the Grants Manager, Erin Peterson, at [epeterson@klarmanfoundation.org](mailto:epeterson@klarmanfoundation.org). This communication must include an Expenditure Report stating the remaining fund balance and a letter from the future Department Chair confirming the availability of resources to continue the project. If the transfer is approved, the Award Recipient will be responsible for notifying the Foundation of the new payee institution and coordinating the fund transfer.

If the Award Recipient is not continuing the research in another nonprofit research setting, the Award will be cancelled and unused funds must be returned within sixty (60) days. Disposition of any equipment purchased by the Award Recipient with Foundation grant funds will be evaluated on a case-by-case basis. Transfer of The Foundation Award to another principal investigator is not permitted.

**Change in Award Recipient Status:** It is the responsibility of the Award Recipient and the Institution, to notify the Foundation of any change in employment status of the Award Recipient **at least 30 days prior to such change**.

**Unused Funds and Reversion:** Should any of the following events occur, The Foundation may demand repayment of all unexpended Award funds and all unpaid installments may be cancelled:

- A determination, preliminary or otherwise, is made by the United States Internal Revenue Service that the Award constitutes a taxable expenditure as defined in section 4945(d) of the Internal Revenue Code of 1986, as amended (the “Code”) and is not an individual grant within the meaning of section 4945(g)(3) of the Code.
- The Institution fails to perform any of its duties as required by this Terms of Award, in the sole discretion of the Foundation or its Scientific Review Committee. In such cases, the Foundation shall provide no less than thirty (30) days termination notice in writing to the Institutional Officer signing the Acceptance Agreement, upon which the Institution shall have an additional thirty (30) days following receipt of such notice within which to cure any deemed failures.
- The Institution ceases to be a nonprofit academic, medical or research institution.

**Intellectual Property and Public Access:** The overarching goal of The Klarman Family Foundation Grants Program in Eating Disorders Research is to support innovative research that will speed development of effective therapies for anorexia nervosa, bulimia nervosa and/or binge eating disorder. Therefore, the Foundation wishes to ensure that these discoveries and inventions are administered, patented and licensed in order to improve the care of individuals suffering from these conditions as soon as possible in accordance with the following provisions.

The Institution will own any and all discoveries, inventions, creations, developments, works of authorship or other work product made, conceived or reduced to practice in the performance of research supported, in whole or in part, by the Award (collectively, the “Inventions”), and any and all worldwide proprietary rights in or to such Inventions, including patent rights, copyrights and other intellectual property rights (collectively, the “Intellectual Property Rights”). The Institution represents, warrants and covenants that all of its employees and consultants who will be involved in any research supported, in whole or in part, by the Award, including the Award Recipient, have assigned, or will assign, in writing all Inventions and Intellectual Property Rights to the Institution.

The Institution must notify the Foundation in writing of the following: (i) any and all Inventions, promptly after the making, conception or reduction to practice of such Inventions, but in any event no later than the time a disclosure related to the Invention has been received by or filed within the Institution and (ii) the filing of any United States or foreign patent application or the issuance of any United States or foreign patent that includes, incorporates, uses or claims any Invention, or the filing of any other application or any other issuance or approval related to any other Intellectual Property Rights in any Invention, not later than 30 days after any such filing, issuance or approval, including in such notice a copy of such filing, issuance or approval. The Institution must provide the Foundation with reasonable updates concerning the status and progress of all such applications. The Institution will not abandon any United States or foreign patent or patent application that includes, incorporates, uses or claims any Invention without prior written notice to and consent of the Foundation. The Institution must provide the Foundation with such notice at least sixty (60) days notice prior to any such abandonment.

To allow time for the Award Recipient to publish his or her findings or submit a patent or other application for Intellectual Property Rights, the Foundation agrees to a one-year waiting period following the end of the Funding Period. Thereafter, the Institution will make information regarding the Inventions available to other researchers working at nonprofit organizations as requested by the Foundation, and to any other researchers working at nonprofit organizations who otherwise request access thereto from the Institution, without charge for teaching, research and other non-commercial purposes. Such information must be sufficient to enable such researchers to bring Inventions to practical application. Accordingly, effective upon the first anniversary of the end of the Funding Period, the Institution agrees to grant to each such nonprofit organization a non-exclusive, worldwide, irrevocable, perpetual, fully-paid up, royalty free license, with the right to sublicense through multiple tiers, under the Intellectual Property Rights in order to make and use Inventions for teaching, research and other non-commercial purposes (each, a "Research License"). The Foundation will not assume any liability or responsibility whatsoever with respect to any such Research Licenses.

The Institution may not assign or sell any Inventions (or any Intellectual Property Rights therein or thereto) or grant any income-generating license under Intellectual Property Rights, without first giving the Foundation written notice at least 30 days prior to the action, including in such notice a copy of any assignment or sale document or license agreement. Any such assignment or sale of Intellectual Property Rights or granting of any such license will be will be subject to the Research Licenses.

The Institution and the Foundation agree that an exclusive license under the Intellectual Property Rights may be granted by the Institution if, and only if, the granting of such is, as determined upon mutual agreement by the Institution and the Foundation, reasonably likely to: (i) maximize the positive impact of the Inventions on the health of individuals with eating disorders; (ii) maximize the availability of diagnostic or therapeutic products to individuals with eating disorders; or (iii) maximize the speed at which diagnostic or therapeutic products are available to individuals with eating disorders.

For human genetic studies, deposition to dbGaP should be within at most six (6) months after QC of the latest genotyped sample and one year after initiation of genotyping with documentation sufficient to interpret the data. The embargo on the use of data by researchers who were not supported by the Foundation grant should be a publication embargo, not an access embargo. This publication embargo will not exceed one year after deposit into dbGaP.

The Foundation intends and the Institution agrees that no provision of these Terms of Award, or of any other document related to the Award, and no course of dealing between the Foundation and the Institution shall constitute or be deemed to constitute a partnership, joint venture or similar arrangement.

**Confidentiality and Third Party Release:** Application materials, as well as interim and final Research Progress and Financial Reports, are considered confidential. The Foundation engages third parties who have the necessary expertise to review the submitted materials and evaluate each project. Although the Foundation endeavors to protect the confidentiality of the reports by requiring reviewers to sign

confidentiality agreements, confidentiality cannot be guaranteed. The Foundation is not responsible for any consequences resulting from the disclosure of the content of these materials to such third parties.

The Foundation reserves the right to public acknowledgement of Award information (Award Recipient Name, Institution, Project Title, and Research Project Summary). This information may be made available through The Foundation's website and may be posted on other affiliated organization websites and included in publically accessible databases of privately funded awards, printed publications, and other media.

**Scientific Meetings and Events:** During the Funding Period, Award Recipients will be expected to present a summary of their research progress at an annual Foundation scientific meeting in Boston, MA. Travel and overnight expenses will be reimbursed. Award Recipients are also expected to share research findings in a timely manner through professional meetings and/or publications.

**Post Award Reporting:** The Award Recipient will respond to the Foundation's requests for information on his/her research progress following the Funding Period and may be requested to provide a current Curriculum Vitae or update information in an online database. The Recipient understands that this obligation survives the Funding Period.

**Liability:** The Foundation does not assume any liability or responsibility for activities supported by this Award including, without limitation, incidents or accidents involving the Principal Investigator (PI) whether on travel, in the laboratory or classroom, or otherwise.