

# **BRICK CONSORTIUM MEMBERSHIP RULES**

**(January 25<sup>th</sup>, 2021)**

## **Introduction**

*Brick Consortium, Inc.* is a nonprofit membership corporation created under the Wisconsin Nonstock Corporation Act whose purpose is to encourage the research and development of Brick Specifications for Brick Compliant Products and to establish such Brick Specifications as world standards for the benefit of end-users of Brick Compliant Products. All such Brick Specifications will be developed through Member participation. The Brick Consortium is funded by dues which are required from all non-Institutional Members as set forth herein.

Each Brick Specification covers a specific Technical Area. The highest common denominators of all Brick Specifications are embodied in a Common Specification. When becoming a Member of Brick Consortium, a company or other organization shall opt for engagement in one or several Technical Area or Areas, by which its Scope of Membership is determined, and the Common Specification.

As provided in these Membership Rules, Brick Consortium and its Members shall undertake to encourage and participate in the development of joint Brick Specifications for Brick Compliant Products, to make public such Brick Specifications for the purpose of establishing a world standard for the benefit of end-users of Brick Compliant Products and to contribute appropriate intellectual property licenses and otherwise support Brick Consortium in accordance with these Rules and other applicable policies and governance requirements of the corporation. As stated herein, the Brick Consortium will not impose a requirement that any of its Members need to search for any potentially relevant intellectual property.

These Rules shall only govern the participation of Members in Brick Consortium, and shall not apply to any other matters or any other rights or responsibilities between or among the Members except in connection with Brick Consortium. Nothing in these Rules shall limit a Member from entering into an agreement with another Member or Members which modifies or supersedes these Rules in their dealings with each other. Members of Brick Consortium shall not have voting rights with respect to the election of directors or other corporate governance matters of Brick Consortium, except as may be set forth in the articles of incorporation and bylaws of the corporation.

Members recognize that these Membership Rules are adopted by the Board of Directors of Brick Consortium as a corporate policy, and will be subject to oversight and amendment by the Board of Directors with appropriate Member input pursuant to the provisions of these Rules. With respect to all Brick Consortium matters, Members shall conduct themselves in conformity with Brick Consortium's status as a nonprofit tax-exempt business league or trade association described in section 501(c)(6) of the U.S. Internal Revenue Code.

## 1. Definitions

For the purpose hereof, the following capitalized terms shall have the respective meaning provided below:

1.1 **“Affiliate”** shall mean, with respect to any Member, any corporation, firm, partnership, proprietorship, or other legally recognizable form of business or operating entity, nonprofit, for-profit or governmental, in whatever country organized or resident, directly or indirectly (i) owned or controlled by such party, (ii) owning or controlling such party or (iii) owned or controlled by any legal entity under common control with such party. For the purpose of this definition, “ownership” shall mean more than fifty percent (50%) beneficial ownership of the equity securities or interests of the legally recognizable entity or the ability to vote more than fifty percent (50%) of the aggregate votes cast at a partner, shareholder or member meeting (or the ability to control any single class of votes), in each case, only so long as such ownership or voting rights continue. For the purpose of this definition, “control” shall mean the power to direct or cause the direction of the management or policies of such legally recognizable entity, directly or indirectly, whether through the ownership of voting shares or membership interests, by contract or otherwise.

1.2 **“Brick Compliant Product”** shall mean a software application or hardware product that meets qualifications of any Technical Area set forth in Appendix B.

1.3 **“Brick Specification(s)”** shall mean the collective specifications for Brick Compliant Products, which are developed and adopted by Brick Consortium in accordance with the terms and conditions of these Rules and which may be constituted by a single specification or several specifications divided into different functional areas. Each respective Brick Specification covers and controls the development work regarding the global standardization of a specific Technical Area. Such parts of the different Brick Specifications, which are deemed to be common, shall however be allocated to the Common Specification.

1.4 **“BSD License”** shall mean the copyright and software license set forth in Appendix D.

1.5 **“Committee”** shall mean any of the committees as further described in these Rules.

1.6 **“Common Specification”** shall mean the overall specification which sets out the common denominators of any of multiple or branched Brick Specifications adopted by Brick Consortium.

1.7 **“Specification(s)”** shall mean the specifications, as established by the Technical Committee from time to time, for any Brick Specification.

1.8 **“Confidential Information”** shall mean any information disclosed in any form whatsoever (including, but not limited to, disclosure made in writing, orally or in the form

of samples, models, computer programs or otherwise) by a Member to another Member or to Brick Consortium under these Rules, provided that (i) if such information is disclosed by the disclosing Member in writing, it shall be marked as confidential at the time of disclosure, (ii) if such information is disclosed by the disclosing Member orally, it shall be identified as confidential at the time of disclosure and shall also be summarized and designated as confidential in a written memorandum delivered to the receiving Member or Brick Consortium within thirty (30) days of disclosure, (iii) if disclosed in any other manner, it shall be designated in writing as confidential at the time of disclosure.

1.9 **“Consortium Intellectual Property”** shall be the logos, trademarks, copyrights, license grants, and other intellectual property that are created during the activities of the Brick Consortium as provided for and in accordance with these Rules.

1.10 **“Contributing Member”** shall mean a Member of the member level Contributing Members, which shall be open for Members who wish to participate in the work of Brick Consortium but do not want to accept the obligations expected of a Full Member.

1.11 **“Contribution”** shall mean a Member’s contribution, in terms of ideas and technologies, to the development of the Specifications.

1.12 **“Full Member”** shall mean a Member of the member level Full Members, which shall be open for Members who wish to have full member rights as defined in Section 2.3 below.

1.13 **“Initiators”** shall mean the companies and other organizations, nonprofit, for-profit or governmental, serving as the initial Members of Brick Consortium, including Johnson Controls, Inc., International Business Machines, Inc., the University of California, San Diego, the University of California, Berkeley, and Carnegie Mellon University. For the avoidance of doubt, an Institutional Member that is also an Initiator shall not owe any Membership Fees. However, an entity does not become an “Initiator” until it becomes a party to this Membership Agreement.

1.14 **“Institutional Member”** shall mean a Member of the member level Institutional Members, which shall be open for any Member who wishes to participate in the work of Brick Consortium, and is a qualifying nonprofit organization, nonprofit research institution, or nonprofit university. To the extent an Institutional Member wishes to limit its participation in the Brick Consortium to an individual(s) researcher(s) or department or departments within such a nonprofit organization, nonprofit research institution, or nonprofit university, the Institutional Member may specify that individual(s) researcher(s) or department or departments in its executed membership agreement or in an “Individual Researcher Appendix” executed by the Member and referring to this Section 1.14. If the Institutional Member does specify an individual(s) researcher(s) or department or departments in its membership agreement, the rights provided and obligations imposed by these Membership Rules shall only extend to the specified individual(s) researcher(s), department or departments.

1.15 “**Intellectual Property Rights**” shall mean patents, designs (registered or otherwise), copyrights, other works of authorship and similar rights, statutory or otherwise, together with applications thereof.

1.16 “**Logo(s)**” shall mean the trademark rights, copyrights and other rights in and to certain logos of Brick Consortium, as set forth in Appendix A, which may be revised from time to time by the Steering Committee, subject to the oversight of the Board of Directors of Brick Consortium with respect to matters of corporate governance .

1.17 “**Member**” shall mean a member of any level of Brick Consortium.

1.18 “**Other Committees**” shall mean the Committees set forth in Section 3.3.1 and Exhibit E.

1.19 “**Personally Known**” shall mean something an individual knows personally.

1.20 “**Resign(ation)**” shall mean withdrawal, exclusion or suspension of membership as Member as set forth in Section 2.5 below.

1.21 “**Rules**” shall mean these Brick Consortium Membership Rules, including all attachments hereto, and any and all amendments to the Rules and/or such attachments.

1.22 “**Scope of Membership**” shall mean the Technical Areas opted for by a Member, by which the extent of such Member’s membership is determined.

1.23 “**Technical Area**” shall mean the different technical areas, covered by each respective Brick Specification. The Technical Areas are set forth in Appendix B, as amended from time to time.

1.24 “**Academic Individual Researcher**” shall mean a Member of the member level Academic Individual Researcher who is: (1a) an individual researcher affiliated or previously affiliated with one of the academic institutions identified as an Initiator in 1.13, or (1b) a student or researcher at a qualifying non-profit organization of research or higher learning, and (2) by a 2/3rds majority voted into the Membership as an Academic Individual Researcher by the Steering Committee.

1.25 “**Brick Guest**” shall mean an individual who participates in Brick meetings who is not a Member and is not affiliated with an organization that is a Member.

## 2. **Brick Consortium Membership**

### 2.1 Levels of Membership

There shall be [four (4) levels of membership (Full, Contributing, Institutional, and Academic Individual Researcher)] as specified in Section 2.3 below.

## 2.2 Conditions of Membership

Any association, partnership, organization, company, corporation, organization or agency, nonprofit, for-profit or governmental, which has an interest in Brick Consortium may, depending on its business and operations and subject to applicable restrictions under mandatory law (such as export control regulations), become a Member of Brick Consortium, upon satisfaction of the following conditions:

A) execution of a membership agreement, in the form required by the Board of Directors of Brick Consortium, by a duly authorized representative of the proposed Member; and

B) payment of such annual fees for membership as provided for in these Rules and such membership agreement.

A Member shall remain in “good standing” as a Member provided the Member timely pays all dues, assessments, and other fees, executes and continues to agree to, and abides by, these Rules, and its membership agreement, and continues to meet all of the other requirements of membership, as from time to time determined by the Steering Committee or the Board of Directors.

Each Member may have its Affiliates involved in the activities of Brick Consortium on behalf of itself. For the avoidance of doubt, each group of companies, which are Affiliates to each other, shall only be entitled to one (1) membership in Brick Consortium. Each Member shall accordingly only have one (1) vote in any election or voting procedure to be performed in accordance with these Rules.

## 2.3 Rights and Obligations of Membership

The conditions, benefits, rights, privileges, and powers (if any) of any level of Members may be changed, and the conditions, benefits, rights, privileges, and powers of each such level may be prescribed, by adoption of an amendment to these Rules by a unanimous vote by the Steering Committee, subject to the oversight of the Board of Directors of Brick Consortium with respect to matters of corporate governance. Any such amendment shall be notified to the Members in writing and be effective upon the date of receipt thereof by the Members in accordance with Section 11.2 below.

### 2.3.1 *Full Members*

Each Full Member shall be entitled to:

A) participate in the work of and be nominated to chair any of the Committees;

B) participate in such working group(s) which support the Brick Specifications encompassed by the relevant Scope of Membership for such Member;

- C) vote for the seats in any of the Committees;
- D) provide Contributions to the Brick Specifications encompassed by the relevant Scope of Membership for such Member;
- E) have early access to the Brick Specifications encompassed by the relevant Scope of Membership for such Member, and marketing materials that are generally released by Brick Consortium, prior to release to non-members, consistent with reasonable procedures from time to time established by the Technical Services Committee;
- F) use the Logos in accordance with Section 5.2 below; and
- G) participate in Brick Consortium annual and other general membership meetings.

Each Full Member shall commit to use professionally reasonable efforts relevant to the Member's industry reasonable efforts to meet all agreed upon target dates and/or milestones as may be defined by the Steering Committee from time to time. If the agreed upon targets or milestones cannot be met by any Full Member, it shall then immediately notify the other Full Members that the target dates as well as the milestones may require adjustments.

### *2.3.2 Institutional Members*

Each Institutional Member shall be entitled to:

- A) participate in the work of any of the Committees and be nominated to chair any of the committees;
- B) participate in such working groups which support the Brick Specifications encompassed by the relevant Scope of Membership for such Member;
- C) vote for the seats in any of the Committees except the Steering Committee;
- D) provide Contributions to the Brick Specifications encompassed by the relevant Scope of Membership for such Member;
- E) have early access to Brick Specifications encompassed by the relevant Scope of Membership for such Member, and marketing materials that are generally released by Brick Consortium, prior to release to non-members, consistent with reasonable procedures from time to time established by the Technical Services Committee;
- F) use the Logos in accordance with Section 5.2 below; and

G) participate in Brick Consortium annual and other general membership meetings.

### 2.3.3 *Contributing Members*

Each Contributing Member shall be entitled to:

- A) participate in the work of any of the Committees;
- B) participate in such working groups which support the Brick Specifications encompassed by the relevant Scope of Membership for such Member;
- C) vote for the seats in any of the Committees except the Steering Committee;
- D) provide Contributions to the Brick Specifications encompassed by the relevant Scope of Membership for such Member;
- E) have early access to Brick Specifications encompassed by the relevant Scope of Membership for such Member, and marketing materials that are generally released by Brick Consortium, prior to release to non-members, consistent with reasonable procedures from time to time established by the Technical Services Committee;
- F) use the Logos in accordance with Section 5.2 below; and
- G) participate in Brick Consortium annual and other general membership meetings.

### 2.3.4 *Academic Individual Researchers*

Academic Individual Researchers shall have the rights of Full Members if they are an individual researcher affiliated or previously affiliated with one of the academic institutions identified as an Initiator in 1.13. All other Academic Individual Researchers shall have the rights of Institutional Members.

Only one Academic Individual Researcher per institution shall have the right to vote pursuant to the sections of this Agreement relating to voting rights. The Academic

Individual Researchers from the same institution shall decide who casts the vote or how the vote shall be cast.

Academic Individual Researchers will not bind their institutions to this Membership Agreement, but their contributions and participation shall be subject to the terms and conditions contained herein.

### *2.3.5 Members Generally*

All Members shall always use good faith efforts in creating and promoting any Specification while being a Member of Brick Consortium. Promoting includes, without limitation, to provide Contributions and to grant licenses in accordance with these Rules for the purpose of the development of the relevant Brick Specification(s). Further, all Members shall always uphold and safeguard the interests of Brick Consortium.

## 2.4 Membership Fees

Each Member shall pay an annual membership fee to Brick Consortium. Such fee may be different for different membership levels. The sole purpose of the said fee shall be to cover the administration costs related to Brick Consortium and the Logos and other costs directly related to Brick Consortium. For the avoidance of doubt, such administrative costs shall include payment for university led research as necessary and approved by the Steering Committee. The fee level shall annually be adjusted and approved by the Steering Committee and the Board of Directors of Brick Consortium. The annual membership fees, which apply for different levels of membership, are set out in Appendix C, which will be updated by the Steering Committee and the Board of Directors on an annual or other regular basis. For the avoidance of doubt, each Member shall be solely responsible for all of its expenses incurred by it in connection with being a Member. For the further avoidance of doubt, Institutional Members shall not have to pay an annual membership fee even if such Institutional Members are also Initiators and function as Full Members pursuant to Section 2.6 as set forth herein. Academic Individual Researchers whose academic institutions are Initiators but have not yet signed this agreement shall serve with the rights of an Initiator until the time upon which the Initiator institution joins this membership agreement.

## 2.5 Changes of Membership

### *2.5.1 Resignation*

Any Member may, in its sole discretion, withdraw from its membership of Brick Consortium with twenty (20) calendar days' prior written notice to the chairman of the Steering Committee (as defined below in Exhibit E) and to the Board of Directors. No refund of membership fees is payable upon withdrawal.



Any Member not in good standing as set forth in Section 2.2 above may be excluded or suspended from membership of Brick Consortium by resolution of a majority vote of the Steering Committee and the Board of Directors.

Any warranties, licenses and/or commitment including such agreements as set forth in Section 5 below, given or granted by a Member within the work of Brick Consortium and in accordance with the terms of these Rules, shall continue in full force and effect for (i) any Contribution made available to Brick Consortium prior to the date of Resignation or (ii) any Intellectual Property Rights covering a Brick Specification established prior to the date of Resignation.

Any licenses and other rights (including but not limited to licenses to the Logos and Essential Intellectual Property Rights licenses) granted to a Member in accordance with the provisions of these Rules are terminated immediately upon Resignation.

#### *2.5.2 Change of Scope of Membership*

Each Full, Contributing and Institutional Member is entitled to extend, reduce or otherwise alter its Scope of Membership with twenty (20) days' prior written notice to the chairman of the Steering Committee. The provisions of Section 2.5.1 above shall apply in case of reduction of a Member's Scope of Membership by withdrawal from a Technical Area.

#### *2.5.3 Change of Level of Membership*

Each Member is entitled to change its level of membership with twenty (20) days' prior written notice to the chairman of the Steering Committee. The provisions of Section 2.5.1 above shall apply in case a Member wants to descend from a higher level of membership to a lower level of membership.

### 2.6 Initiators

The Initiators are the founders of Brick Consortium. Accordingly, the Initiators shall have all the rights of Full Members as well as one (1) representative in the Steering Committee and one (1) or more representatives in each one of the Committees. For the purpose of continuity, a representative of one of the Initiators shall serve as chairman of the Steering Committee for the first two (2) years following the Formation Date as defined below. Thereafter, the Steering Committee shall appoint its chairman by majority vote at the first Steering Committee meeting following the annual meeting, as described in Section 3.1.1 below.

### 2.7 Rights and Obligations of Brick Guests

Brick Guests may attend and participate in Brick Consortium meetings provided they execute the Agreement set forth in Appendix F and provide it in advance to the Brick Member in charge of the meetings. For the avoidance of doubt, it is a condition of

participation that Brick Guests comply with the provisions set forth herein including the provisions relating to disclosure and licensing of Intellectual Property Rights. Brick Guests shall have no voting rights. The Brick Members in charge of conducting the relevant meetings are responsible for enforcement of the requirement that Brick Guests provide a signed Appendix F Agreement in advance of a meeting where a Brick Guest will attend.

### **3. Membership Organization and Operations**

The membership of Brick Consortium is organized in a number of committees and working groups, which all work for the joint purposes of developing and promotion of the Brick Specifications. The main executive body of the membership is the Steering Committee, subject to the overall supervision and oversight of the corporation's Board of Directors with respect to corporate governance matters.

#### **3.1 Full, Contributing and Institutional Member Meetings and Voting Procedures**

##### *3.1.1 Annual Meetings*

An annual meeting of all Full Members, Contributing Members and Institutional Members shall be held in connection with the anniversary of the Formation Date (as defined in Section 3.2.2 below) on a date set forth by the Steering Committee, and all voting procedures shall occur at the annual meeting. In the event a vote is requested by a Member in the matters which may appear at the annual meeting, the affirmative vote of 2/3 of the qualified Members shall be required to pass any proposed measure. Only one (1) vote shall be accorded for a Member on matters for which it is able to cast a vote pursuant to these Rules. Minutes shall be kept at all meetings between the Full Members, Contributing Members and Institutional Members, and at Committee meetings. Such minutes shall be distributed to all Full Members, Contributing Members and Institutional Members.

##### *3.1.2 Committee and Working Group Meetings*

In case a vote is requested by a representative of a Member on a Committee meeting, or by a Member on a working group meeting, the affirmative vote of 2/3 of the qualified Members shall be required to pass any proposed measure. In such a vote, only one (1) vote shall be recorded for a Member (as applicable). A quorum for any Committee requires presence of a majority of the Members constituting the applicable Committee. Minutes shall be kept at all meetings between the Full Members, Contributing Members and Institutional Members (as applicable), and at Committee meetings. Such minutes shall be distributed to all Full Members, Contributing Members and Institutional Members (as applicable).

### 3.1.3 *Representation in Committees*

The seats in the Committees shall be held by Members as such. Accordingly, each of the Members may appoint and replace its representatives in the applicable Committees at its discretion.

### 3.2 Committee Definitions, Roles, and Responsibilities

The Brick Consortium Committees shall be defined and operated in accordance with their definition and explanation that is set forth in Exhibit E to these Rules.

## 4. **Intellectual Property Rights**

### 4.1 Created Solely by a Member

All Intellectual Property Rights created solely by employees of a Member shall belong exclusively to that Member, and that Member shall have the right to make applications for protection for such Intellectual Property Rights.

### 4.2 Created Jointly by Multiple Members

All Intellectual Property Rights created jointly by employees of two (2) or more of the Members in accordance with these Rules (“**Joint IP Rights**”) shall, unless otherwise agreed between such Members in a separate written instrument, be jointly owned by those Members having at least one (1) creator (the “**Participating Parties**”). The Participating Party which becomes first aware of the relevant Joint IP Rights shall inform the other Participating Parties on a confidential basis about this fact and each Participating Party shall ensure that all rights are divided among the Participating Parties.

### 4.3 Joint IP Rights

The Participating Parties shall for each Joint IP Right, agree on the details of the first filing, further filing, prosecution, maintenance and defense, relating to applications for protection of the Joint IP Rights in the joint names of all agreeing Participating Parties.

### 4.4 Costs

The costs of filing and maintaining agreed applications for protection and granted rights in respect of any Joint IP Rights shall be shared equally among the Participating Parties agreeing to those filings as agreed to and set forth in a separate written instrument.

#### 4.5 License of Joint IP Rights

Each Participating Party undertakes to license any Joint IP Rights, if an Essential Intellectual Property Right, in accordance with Section 5 below of these Rules. If and as long as a Participating Party shares in the costs, where applicable, as a joint applicant to file, obtain, maintain and defend against opposition and revocation actions in respect of applications to protect such Joint IP Rights, the granting of licenses to third parties under rights resulting from the Joint IP Rights shall be subject to the mutual agreement of the Participating Parties; provided that if any such Joint IP Right is Essential Intellectual Property Right, it shall be subject to Section 5 below. For the avoidance of doubt, any provision related to Joint IP Rights herein shall not imply any license under any Intellectual Property Rights which a Member or its Affiliates may own independent of these Rules.

### 5. **Licensing of Intellectual Property Rights**

#### 5.1 Brick Specifications

All Members agree that Brick Consortium will own the copyright of each and every new Brick Specification and any accompanying software that the Brick Consortium publishes, subject to and without diminishing the ownership rights of the original authors who created earlier versions. Such earlier versions are hereby licensed by the relevant Members to the Brick Consortium, for the purposes set forth in this Membership Agreement, via the BSD License set forth in Appendix D. The new Brick Specifications published by the Brick Consortium, and any accompanying software published by the Brick Consortium, shall also be distributed using the BSD License set forth in Appendix D.

#### 5.2 Logos

The Logos shall be the exclusive property of Brick Consortium. Each Member is hereby granted a non-exclusive, non-remunerative, worldwide license to use the Logos for the sole purpose of (i) promoting and endorsing its membership in Brick Consortium, and (ii) promoting and marketing its Brick Compliant Products developed in accordance with the relevant Scope of Membership of such Member. Any use of the Logos shall always be in accordance with the Logo guidelines, as established by the Steering Committee and/or the Communication Committee from time to time, subject to the oversight of the Board of Directors of Brick Consortium with respect to matters of corporate governance.

#### 5.3 Essential Intellectual Property Rights

Essential Intellectual Property Rights shall mean any Intellectual Property Right which would be necessarily and unavoidably infringed by the making, having made, designing, using, offering for sale, selling, importing, exporting, leasing or disposing by other means of those portions of a product that implements a Brick Specification in a particular country in the absence of a license or other authorization from the owner of such

Intellectual Property Rights in such country. As used herein, “infringe” includes direct infringement, contributory infringement and/or inducement of infringement. An Intellectual Property Right is “essential” if the Specification describes an option (rather than a specific implementation) that an entity may or may not implement, but, if implemented, infringement is unavoidable. An Intellectual Property Right is “unavoidable” if there is no commercially and technically feasible alternative to the claimed invention. For the avoidance of doubt, the Essential Intellectual Property Right shall not include any Intellectual Property Right which merely covers:

- (i) any enabling technologies that may be necessary to make or use any product or portion thereof that complies with a Brick Specification, but are not themselves expressly set forth in a Brick Specification;
- (ii) any generally-available standard or format, whether in whole or significant part, not developed by or for Brick Consortium, but referred to or incorporated in a Brick Specification;
- (iii) any portions of any product and any combination except for that portion or portions which are required solely in order to achieve an interface that is compliant with a Brick Specification; or
- (iv) any methods or processes practiced, in whole or in part, over an interface that are not expressly set forth in a Brick Specification.

It is expressly understood and acknowledged by the Members that participation in the work of Brick Consortium does not imply any transfer of intellectual property rights or other rights between the Members other than as expressly agreed between the Members. Each Member is responsible for ensuring that it has sufficient agreements in place with such Member’s employees or others engaged in the creation of Essential Intellectual Property Rights on behalf of such Member in order to fulfil the obligations in relation to licensing of such Essential Intellectual Property Rights as set out in Sections 5.5.1 and 5.5.2.

#### 5.4 Obligation to Disclose Essential Intellectual Property Rights

The development of the Brick Specifications and/or the Common Specification presupposes that the working groups and the Members have as much information about any Intellectual Property Rights constraints on new versions as possible. It is a requirement that all Members must disclose the existence of all Essential Intellectual Property Rights held by the Members, for which the Members are not willing to grant a non-remunerative license according to Section 5.5.1 below. For the avoidance of doubt, disclosure of Essential Intellectual Property Rights is not mandatory if the Member is willing to grant non-remunerative licenses thereto and there is no obligation on behalf of the Member to search for potentially Essential Intellectual Property Rights.

Similarly, it is a requirement that a Brick Guest must disclose the existence of all Essential Intellectual Property Rights held by a Brick Guest, for which the Brick Guest is not willing to grant a non-remunerative license according to Section 5.5.1 below. For the avoidance of doubt, disclosure of Essential Intellectual Property Rights is not mandatory

if the Brick Guest is willing to grant non-remunerative licenses thereto and there is no obligation on behalf of the Brick Guest to search for potentially Essential Intellectual Property Rights.

Any participant in a working group – whether a Member or Brick Guest – must disclose any Essential Intellectual Property Rights Personally Known to them even if they do not have rights to grant licenses to such Essential Intellectual Property Rights. For the avoidance of doubt, there is no obligation of participants in a working group to search for potentially Essential Intellectual Property Rights.

Members, which are part of a working group, must make such disclosures as soon as reasonably possible if any such Member determines that the draft specification of such working group encompasses, or is likely to encompass, Essential Intellectual Property Rights held by and/or Personally Known to the Member. In all other cases, Members are required to disclose any Essential Intellectual Property Rights held by and/or Personally Known to the Member as soon as they become aware that a draft specification encompasses or is likely to encompass such rights, and in all events prior to the expiration of the Review Period (as defined below in Section 5.7).

A Brick Guest, which participates in meetings of a working group, must make such disclosures as soon as reasonably possible if any such Brick Guest determines that the draft specification of such working group encompasses, or is likely to encompass, Essential Intellectual Property Rights held by and/or Personally Known to the Brick Guest. In all other cases, a Brick Guest is required to disclose any Essential Intellectual Property Rights held by and/or Personally Known to the Brick Guest as soon as they become aware that a draft specification encompasses or is likely to encompass such rights, and in all events prior to the expiration of the Review Period (as defined below in Section 5.7).

A disclosure of Essential Intellectual Property Rights according to this section must include a list of the numbers of any issued intellectual property rights and published applications and a reference to the portion of the draft specification affected. The disclosure shall be addressed to the Technical Committee. For Essential Intellectual Property Rights held by the Member or Brick Guest, it shall include a written statement indicating whether or not such Member or Brick Guest is willing to grant a license to its Essential Intellectual Property Rights on reasonable and non-discriminatory terms according to Section 5.5.2 below. The ability for a disclosing Member or Brick Guest to be exempted from the general rule of non-remunerative licenses as set forth in Section 5.5.1 below shall always be subject to the Steering Committee's approval thereof. Consequently, the Technical Committee will forward any and all disclosures of Essential Intellectual Property Rights made in accordance herewith to the Steering Committee.

The Technical Committee shall be responsible for maintaining and publishing a list of Essential Intellectual Property Rights disclosed by the Members and Brick Guests.

Further details on the procedure for disclosing Essential Intellectual Property Rights are available at Brick Consortium's website.

If Essential Intellectual Property Rights are disclosed by a Member or Brick Guest at the working group stage, the Technical Committee shall decide how to proceed with regard to the draft specification, including evaluating alternative technologies for the purpose of revising or modifying the draft Specification so it negates the disclosed Essential Intellectual Property Rights.

Brick Consortium disclaims any responsibility for identifying the existence of or for evaluating the applicability of any Essential Intellectual Property Rights, disclosed or otherwise, to any Brick Specification, the Common Specification or any versions thereof, and it takes no position on the validity or scope of any such Essential Intellectual Property Rights or a disclosure thereof. However, the Technical Committee may take into account their own opinions of the validity, enforceability or applicability of Essential Intellectual Property Rights in their evaluation of alternative technologies as described above.

Any misuse of the obligation to disclose Essential Intellectual Property Rights, or failure to make such disclosures, according to this Section 5.4 is a violation of these Rules, and can ultimately lead to the exclusion or suspension of the Member in accordance with Section 2.5.1 above.

## 5.5 Contributions and License Grants

### 5.5.1 *Non-remunerative License to Essential Intellectual Property Rights*

By signing these Rules, all Members shall grant to the Brick Consortium with the ability to sub-license to all other Members, with respect to all Essential Intellectual Property Rights of such Member and for the term of such Essential Intellectual Property Rights, either:

- (1) a non-exclusive, non-transferable, non-remunerative license to such Member's Essential Intellectual Property Rights on a worldwide basis, to make, design, have made, use, offer to sell, import, export, lease or otherwise dispose of Brick Compliant Products, as encompassed by such Member's relevant Scope of Membership(s), and consequently release all other Members from any and all claims of infringement of such Essential Intellectual Property Rights. The foregoing licenses are solely for the purposes of implementing the Brick Specification for which the Contribution was submitted and for subsequent versions thereof in which the Contribution is used in substantially the same way and to the same extent as in the earlier licensed version of the Specification. OR:
- (2) A license to the Essential Intellectual Property Rights of such Member under the BSD License set forth in Appendix D. OR:
- (3) A license substantially similar to the BSD License set forth in Appendix D so long as the license does not include restrictions on commercialization or a "copyleft" feature to the license.

Similarly, by agreeing to and executing the Agreement set forth in Appendix F, a Brick Guest shall grant to the Brick Consortium with the ability to sub-license to all Members, with respect to all Essential Intellectual Property Rights of such Brick Guest relating to the meetings that the Brick Guest participates in and for the term of such Essential Intellectual Property Rights, a non-remunerative license in the form of options (1), (2), or (3) above.

Unless specified by the Member or Brick Guest, the license type of non-remunerative license shall be option (2) for copyrighted works and option (1) for patented works.

However, for the avoidance of doubt, disclosure of the Essential Intellectual Property along with a statement of preference for remuneration rather than non-remuneration allows the Member or Brick Guest to operate, for that disclosed Essential Intellectual Property, according to Section 5.5.2. In other words, after disclosure and expression of a preference for remuneration, that Member or Brick Guest may conduct a monetized licensing program according to the terms of 5.5.2 without being in breach of this Agreement.

#### *5.5.2 License to Essential Intellectual Property Rights on Reasonable and Non-discriminatory Terms.*

The obligation to license Essential Intellectual Property Rights according to Section 5.5.1 above shall not apply to the Essential Intellectual Property Rights of any Member or Brick Guest if such Member or Brick Guest has made a disclosure of such Essential Intellectual Property Rights in accordance with Section 5.4 above and in connection therewith stated that such Member or Brick Guest is, subject to the Steering Committee's approval thereof, willing to offer to all Members, for the term of the Essential Intellectual Property Rights, a non-exclusive, non-transferable license to such disclosing Member or Brick Guest's disclosed Essential Intellectual Property Rights on a worldwide basis, to make, design, have made, use, offer to sell, import, export, lease or otherwise dispose of Brick Compliant Products, as encompassed by such Member's relevant Scope of Membership(s), subject to reasonable and non-discriminatory terms, including but not limited to a reasonable royalty or other fee. For the avoidance of doubt, Brick Consortium will not be involved in determining reasonable and non-discriminatory terms for any such license granted in accordance with this Section 5.5.2, and will not make any assurance that the obligation to apply such terms are fulfilled in practice by the Member or Brick Guest offering such license.

#### *5.5.3 Copyright License*

Further, by agreeing to these Rules and executing a membership agreement in accordance herewith, all Members agree to grant to Brick Consortium, and to all other Members, a non-exclusive, perpetual, non-remunerative, sublicensable copyright license under such Member's copyrights in any Contribution made by such Member to



reproduce, distribute, perform, display, and create derivative works of the Contribution solely for the purpose of producing and distributing the relevant Brick Specification(s).

Similarly, by agreeing to and executing the Agreement set forth in Appendix F, a Brick Guest agrees to grant to Brick Consortium, and to all Members, a non-exclusive, perpetual, non-remunerative, sublicensable copyright license under such Brick Guest's copyrights in any Contribution made by such Brick Guest to reproduce, distribute, perform, display, and create derivative works of the Contribution solely for the purpose of producing and distributing the relevant Brick Specification(s).

#### 5.5.4 *Reciprocity*

The foregoing licenses are solely for the purposes of implementing the Brick Specification that the Contributions were submitted for and for subsequent versions thereof in which the Contributions are used in substantially the same way and to the same extent as in the earlier licensed version of the Specification. "RAND" terms and conditions for a given Specification may, at the licensor's discretion, include reasonable reciprocity and/or defensive termination provisions by which licensee rights are conditioned upon the licensee not initiating an action for infringement of its Essential Patent Claims or copyright rights of that Specification against the licensor.

#### 5.6 Adoption of a new Technical Area

In order to adopt a new Technical Area, the Technical Committee shall, subject to Section E.3.I below, initiate such adoption procedures by sending a proposal thereof by written notice to the Steering Committee. The Steering Committee shall thereafter review the proposal and evaluate its compliance with the overall purpose of Brick Consortium as expressed in the preamble of these Rules, the Common Specification, the Technical Areas previously adopted and the general possible contribution the proposed new adoption may generate. A new Technical Area shall be adopted only by a 2/3 qualified majority decision by the Steering Committee. Once such decision has been approved, the Technical Committee shall appoint a working group for the practical execution of the adoption. The working group shall act in accordance with the procedure set forth in Section E.3.1 below. Review of and voting procedures regarding the proposal of a new Brick Specification pertaining to such adopted Technical Area shall take place in accordance with the provisions of Section 5.7 below.

#### 5.7 Adoption of New Versions of a Brick Specification

To adopt any version of a Brick Specification or the Common Specification, a written notice (which shall include a copy of the proposed specification) shall be sent by the Technical Committee to all Members advising of a voting procedure to be held for the purposes of adopting such new version. Such voting shall take place at least thirty (30) days after submission to said Members of the proposed new version (the "**Review Period**"). If the proposed draft specification encompasses Essential Intellectual Property Rights of a Member or Brick Guest, such Member or Brick Guest is required to make a

disclosure thereof as soon as possible according to the procedure set forth in Section 5.5 above.

If Essential Intellectual Property Rights are disclosed during the Review Period, and the Member or Brick Guest holding such Essential Intellectual Property Rights has stated to the Technical Committee that it is not willing to grant any license to such Essential Intellectual Property Rights, the proposed draft specification, including any portion thereof, cannot be adopted by Brick Consortium.

If Essential Intellectual Property Rights are disclosed during the Review Period and the Member or Brick Guest has stated to the Technical Committee that it is willing to grant licenses to such Essential Intellectual Property Rights on reasonable and non-discriminatory terms, the Technical Committee shall decide whether to proceed with an adoption of the new version subject to such license grant. A decision by the Technical Committee to proceed with an adoption in such circumstances requires that the Steering Committee approves an exemption from the general rule of non-remunerative licenses.

The Steering Committee of the Brick SSO may reject any Member's request not to grant royalty-free licenses in rare, exceptional instances with good cause shown. If the Steering Committee rejects any application by a Member to charge a royalty for an Essential Patent Claim(s), the Member has the choice of agreeing to grant royalty-free licenses on the terms set forth in the Membership Rules or may withdraw from Brick membership (without refund) and avoid license obligations with respect to the patent(s) disclosed during the review period.

If a Member or Brick Guest has failed to disclose Essential Intellectual Property Rights pursuant to Section 5.4 above at the expiration of the Review Period, such Member or Brick Guest is not entitled to refuse a non-remunerative license to any of its Essential Intellectual Property Rights.

Unless any rejection is notified as set forth above, or the Technical Committee has decided not to proceed with an adoption as set forth above, or if no Essential Intellectual Property Rights are disclosed during the Review Period, a voting period shall commence and continue for the fifteen (15) days immediately following the expiration of the Review Period, during which Full Members, Institutional Members, and Contributing Members shall submit their votes on the subject of adoption or non-adoption by Brick Consortium of the proposed new version. If Essential Intellectual Property Rights were disclosed and the Steering Committee decided to proceed with adoption as set forth above, then the disclosed Essential Property Rights shall be disclosed also to Full Members, Institutional Members, and Contributing Members at the beginning of the fifteen (15) day voting period to allow for such Members to take into consideration the disclosed Essential Property Rights when voting. Each Full Member's, Institutional Member's, or Contributing Member's vote shall be submitted in writing to the Technical Committee within the said fifteen (15) day period. The proposed new version shall be adopted if 2/3 of the votes from Members are in favor of adoption and not more than 1/4 of the total number of votes are against. For the avoidance of doubt, Brick Consortium and the

Members do not provide any warranty of any kind as regards infringement of third parties' Intellectual Property Rights. Accordingly, any implementation of a new version of a Specification is at the risk of the implementors. The Specifications may however include references to Intellectual Property Rights of third parties which need to be licensed and that are known at the time of adoption.

#### 5.8 Scope of Disclosure for Institutional Members

As applied to Institutional Members, the duties of disclosure and obligations to license set forth in this Section shall apply to the Essential Intellectual Property Rights Personally Known to the individuals who participate in Brick activities on the Institutional Member's behalf (with reference to and in accordance with the structures set forth in 1.14).

#### 5.9 Scope of Disclosure for Brick Guests

As applied to Brick Guests, the duties of disclosure and obligations to license set forth in this Section shall apply to the Essential Intellectual Property Rights Personally Known to the Brick Guests who participate in Brick activities.

#### 5.10 Scope of Disclosure for Academic Individual Researchers

As applied to Academic Individual Researchers, the duties of disclosure and obligations to license set forth in this Section shall apply to the Essential Intellectual Property Rights Personally Known to the Academic Individual Researchers who participate in Brick activities.

### 6. **Competition Law Compliance**

#### 6.1 General

Brick Consortium will conduct all of its activities in conformance with all applicable antitrust laws. The Steering Committee shall consult legal counsel and seek legal review whenever necessary to ensure that the activities of Brick Consortium are conducted in conformance with such laws. Members will be combining unique experiences and skills to create open specifications for communication between network devices. This purpose would otherwise be difficult to achieve through the independent efforts of each company. Members are committed to fostering open competition in the development and sales of products and services related to communication between Brick Compliant Products. Members also understand that in certain lines of business they are direct competitors and that it is imperative that they and their representatives act in a manner which does not violate any antitrust laws. Thus, all Members shall comply with all applicable antitrust laws. Members shall not exchange any information regarding the price of their products or services, the cost of their products or services, the release timing of their products or services or the terms and conditions under which they are sold or any topic which may be construed as a

violation of antitrust laws. Members are not required to develop or market any offerings, and are not precluded from engaging in any business activities whatsoever, even if they are competitive with the activities conducted under Brick Consortium. In addition, all Members shall comply with the antitrust compliance policies adopted by Brick Consortium from time to time.

## 6.2 No Obligation to Endorse

No Member shall, by reason of its membership, or participation in the activities, of Brick Consortium or otherwise, be obligated to license, use or endorse any technology developed or endorsed by Brick Consortium, or to conform any of its products to any standards or specifications developed or adopted by Brick Consortium, nor shall any such Member be precluded from independently licensing, using or endorsing similar intellectual property, software, specifications or documentation developed by it or by others.

## 7. **Confidentiality**

### 7.1 Obligations

A recipient of Confidential Information from Brick Consortium or any Member shall:

- A) not disclose Confidential Information to any third party;
- B) be allowed to disclose Confidential Information to its Affiliates or contractors provided such Affiliate or contractor is subject to confidentiality obligations substantially identical to those set forth in these Rules;
- C) restrict dissemination of Confidential Information to only those of its employees and contractors and other Members who need to know for the purposes of carrying out work in accordance with these Rules and which are subject to confidentiality obligations substantially identical to those set forth in these Rules;
- D) use the same degree of care as for its own information of like importance, but at least use reasonable care, in safeguarding against disclosure of Confidential Information; and
- E) use Confidential Information solely for the purposes of the development of the Specifications in accordance with the terms and conditions of these Rules.

### 7.2 Exceptions

Notwithstanding anything to the contrary, the requirements of Section 7.1 above shall not apply with respect to Confidential Information disclosed to any Member under these Rules which:

A) is now available or becomes available to the public without breach of these Rules;

B) is explicitly approved for release by written authorization of the disclosing Member or entity;

C) is lawfully obtained from a third party or parties without a duty of confidentiality;

D) is known to such Member prior to such disclosure; or

E) is at any time developed by the Member independently of any such Confidential Information.

### 7.3 No Licenses

No license, express or implied, is granted to the recipient under any of the disclosing Member's Intellectual Property Rights to use the Confidential Information for purposes other than the purposes of these Rules.

### 7.4 Term

The recipient's obligations regarding Confidential Information received under these Rules expire five (5) years from the date of receipt of each Confidential Information.

## **8. Standards of Care**

Each Member shall use commercially or professionally reasonable efforts applicable to the Member to apply the level of a scientific care which is customary in the relevant industry or educational context and shall comply with generally accepted rules of technology.

## **9. Limitation of Liability**

### 9.1 General

Notwithstanding anything herein to the contrary, in no event shall Brick Consortium or any Member be liable to any Members for indirect, special, consequential, incidental, punitive or exemplary losses, damages or expenses of any kind, or for business interruption, lost or corrupted data, lost revenue, lost profits, lost savings or any other similar loss of any kind, even if it has been advised of their possible existence, or even if same were reasonably foreseeable, regardless of whether the claim is for breach of contract, breach of warranty, tort (including negligence), misappropriation of intellectual property rights, failure of a remedy to accomplish its purpose or otherwise, except to the extent such losses, damages or expenses arise from the gross negligence, willful misconduct or fraud of the first party.

## 9.2 Intellectual Property Rights of Third Parties

In no event shall Brick Consortium or any Member have any liability to any other Member under these Rules for infringement of Intellectual Property Rights of third parties.

## 10. **Governing Law and Dispute Resolution**

### 10.1 Governing Law

These Rules shall be governed by and construed in accordance with internal laws of the State of Wisconsin, without regard to conflicts of laws principles.

### 10.2 Dispute Resolution

Any dispute, claim or controversy between or among Members arising out of these Rules or otherwise with respect to Brick Consortium activities shall be resolved in a manner determined by the Board of Directors of Brick Consortium, giving due regard to the corporation's tax-exemption requirements under section 501(c)(6) of the Internal Revenue Code, and with a focus on negotiation, mediation and similar dispute resolution procedures.

## 11. **Miscellaneous**

### 11.1 Relationship of the Members

These Rules does not create a joint venture, partnership or other form of business initiative among the Members, nor an obligation, except as expressly stated herein, to develop, make available, use, license, buy or sell any information, product, services or technology. The Members constitute members of Brick Consortium pursuant to the Wisconsin Nonstock Corporation Act, and their rights and privileges as members of the corporation are subject at all times to the articles of incorporation and bylaws of Brick Consortium and the oversight and control of the Board of Directors of Brick Consortium.

### 11.2 Notices

Wherever notice by, between or among Members is required in these Rules, such notice shall be in writing and shall be deemed to have been duly given if mailed by first class mail, postage prepaid, addressed to the person or entity entitled to receive the same, or delivered personally to such party, or sent by facsimile transmission, or sent by electronic mail, or sent by courier, to the addresses of the Members, Steering Committee and Other Committees announced on the Brick Consortium's website or to such other address, in any such case, as any Member hereto shall have last designated by notice to the Steering Committee. Notice shall be deemed to have been given on the day that it is so delivered personally or sent by facsimile

transmission and the appropriate answer back or confirmation of successful transmission is received or, if sent by courier, shall be deemed to have been given two (2) business days after delivery by the courier company, or if mailed, ten (10) business days following the date on which such notice was mailed.

### 11.3 Assignment

No Member shall assign or otherwise transfer its rights or obligations under these Rules without the approval of seventy-five percent (75%) of the Members of the Steering Committee.

### 11.4 Compliance with Laws

Each Member agrees to comply with all applicable laws, rules and regulations, including without limitation, those relating to the export or re-export of technical data when exporting or re-exporting any products relating to Brick Consortium. Each Member, on behalf of itself and its Affiliates, certifies that neither it nor any of its affiliates is listed on, or owned or controlled, directly or indirectly, by anyone listed on, a prohibited or restricted persons list issued by the U.S. Departments of the Treasury, Commerce or State, or the European Union, including, but not limited to, the Specially Designated Nationals and Blocked Persons List (each, a “**Restricted Persons List**”). Should a Member or any of its affiliates become listed on, or be owned or controlled, directly or indirectly, by anyone listed on Restricted Persons List, it will notify the Steering Committee without undue delay, and acknowledges that such listing may entail the exclusion of such Member from Brick Consortium.

### 11.5 Costs and Expenses

Except as otherwise explicitly provided for in these Rules, all costs and expenses incurred by any Member in carrying out its obligations under these Rules shall be paid by the Member that incurred the expense. Each Member shall possess or obtain at its own expense all necessary licenses or permits.

### 11.6 Enforceability; Interpretation

If any provision of these Rules is invalid, illegal or unenforceable at law, the rest of the provisions shall remain in effect and the invalid, illegal or unenforceable provision shall be modified to the minimum extent necessary to make such provision valid, legal or enforceable, as the case may be. The headings in these Rules are for reference only. They will not affect the meaning or interpretation of these Rules. These Rules are subject to the oversight of the Board of Directors of Brick Consortium with respect to matters of corporate governance.

#### 11.7 Force Majeure

No Member shall bear any responsibility or liability for any losses arising out of any delay or interruption of its performance of obligations under these Rules due to any act of God, act of governmental authority, or due to war, flood, civil commotion, labor difficulty, severe or adverse weather conditions, lack or shortage of electrical power malfunctions of equipment or software programs or any other cause beyond the reasonable control of the Member so delayed.



**APPENDIX A:**

**Logos**

List of Logos:


Conditions of use:

A Member may use the [Brick Consortium Logo or Brick Consortium Logo with tagline] for communication of the Member's Membership in Brick Consortium.

A Member may use the [Brick Consortium Profile Logos] for product marking of its versatile network interface product derived from a Specification, which compliance has been proven by fulfilling the compliance procedure established by Brick Consortium.

Any use of the Logos shall be subject to appliance of the Logo guidelines as established from time to time by the Steering Committee.

**APPENDIX B:**

**Technical Areas and Brick Compliant Product Qualifications**

[To be discussed.]

## **APPENDIX C:**

### **Membership Fees**

The membership fees for the year 2021 shall be:

- Full Member: USD \$50,000
- Contributing Member: USD \$5,000
- Institutional Member or Academic Individual Researcher: USD \$0\*

The membership fees for the year 2022 shall be:

- Full Member: USD \$100,000
- Contributing Member: USD \$10,000
- Institutional Member or Academic Individual Researcher: USD \$0\*

\*But must be a qualifying nonprofit organization, nonprofit research institution, or nonprofit university. More details and requirements contained in the definitions listed above.

## APPENDIX D:

### **BSD Open Source License**

The Brick Specification and any accompanying software will be distributed using a BSD Open Source License by inclusion of the following copyright notice:

Copyright (c) <year>, Brick Consortium, Inc.  
All rights reserved.

Redistribution and use of this specification and software in source and binary forms, with or without modification, are permitted provided that the following conditions are met:

- Redistributions of the specification and/or source code must retain the above copyright notice, this list of conditions and the following disclaimer.
- Redistributions in binary form must reproduce the above copyright notice, this list of conditions and the following disclaimer in the documentation and/or other materials provided with the distribution.
- Neither the name of the Brick Consortium nor the names of its contributors may be used to endorse or promote products derived from this software without specific prior written permission.

THIS SPECIFICATION AND SOFTWARE IS PROVIDED BY THE COPYRIGHT HOLDERS AND CONTRIBUTORS "AS IS" AND ANY EXPRESS OR IMPLIED WARRANTIES, INCLUDING, BUT NOT LIMITED TO, THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE ARE DISCLAIMED. IN NO EVENT SHALL THE BRICK CONSORTIUM BE LIABLE FOR ANY DIRECT, INDIRECT, INCIDENTAL, SPECIAL, EXEMPLARY, OR CONSEQUENTIAL DAMAGES (INCLUDING, BUT NOT LIMITED TO, PROCUREMENT OF SUBSTITUTE GOODS OR SERVICES; LOSS OF USE, DATA, OR PROFITS; OR BUSINESS INTERRUPTION) HOWEVER CAUSED AND ON ANY THEORY OF LIABILITY, WHETHER IN CONTRACT, STRICT LIABILITY, OR TORT (INCLUDING NEGLIGENCE OR OTHERWISE) ARISING IN ANY WAY OUT OF THE USE OF THIS SPECIFICATION OR SOFTWARE, EVEN IF ADVISED OF THE POSSIBILITY OF SUCH DAMAGE.

## APPENDIX E:

### **Definition of the Brick Consortium Committees and their Roles and Responsibilities**

#### **E.1 Steering Committee**

##### *E.1.1 General*

The Steering Committee shall consist of no more than [seven (7)] representatives. Only Full Members may be represented in the Steering Committee. Each Member of the Steering Committee shall be entitled to have one (1) representative in the Steering Committee. In the event of a merger between two (2) Members, the surviving Member, if a Full Member, may have only one (1) representative on the Steering Committee. A Full Member may resign from the Steering Committee by written notice to the chairman of the Steering Committee and to the Board of Directors. In the event that any Member of the Steering Committee is absent from any meeting of the Steering Committee for more than [three (3)] consecutive occasions, such Member shall be automatically disqualified from membership of the Steering Committee.

##### *E.1.2 Initial Steering Committee*

The Steering Committee shall be deemed established on the date on which each of the Initiators makes one (1) Steering Committee representative available (the “**Formation Date**”). In connection with organizing the membership of Brick Consortium, the Initiators may invite certain potential members to become Members, and may thereafter invite them to participate with the initial representatives in the Steering Committee.

##### *E.1.3 Steering Committee Elections*

Subject to Section 2.6, and subject at all times to the oversight of the Board of Directors of Brick Consortium with respect to matters of corporate governance, Steering Committee elections for open positions, up to the total maximum representatives set out in Section E.1.1 above, shall be held at the annual meeting. Any such positions shall be appointed by voting by the Full Members. Such appointments shall be made for a term of one (1) year. Voting shall be performed in accordance with Section 3.1 above. For the avoidance of doubt, each Initiator shall at all times have the right to appoint one (1) representative to the Steering Committee. The chairman of the Steering Committee shall be appointed in accordance with Section 2.6 above. The chairman shall appoint a person to serve as the vice chairman. In absence of the original chairman the vice chairman shall take act as chairman during the meetings. All changes of members of the Steering Committee shall become effective immediately after the annual meeting has been closed. A Full Member shall announce its candidacy to the Steering Committee to the chairman of the Steering Committee at least forty (40) calendar days prior to the applicable anniversary date of the Formation Date. All candidates for open Steering

Committee positions shall be announced to the Full Members at least thirty (30) calendar days prior to the annual meeting. Vacancies on the Steering Committee may be temporarily filled by a 2/3 majority vote of the Steering Committee at the next regular Steering Committee meeting unless only one (1) or two (2) Steering Committee Members remain, in which case additional Full Members shall be invited to the Steering Committee by the chairman until there are a minimum of three (3) members in the Steering Committee.

#### *E.1.4 Steering Committee Duties and Responsibilities*

The Steering Committee shall have the power to determine its own internal governance in order to accomplish the tasks related to its duties and responsibilities described below, subject to the oversight of the Board of Directors of Brick Consortium with respect to matters of corporate governance:

A) The Steering Committee shall in its own, or through its members or appointed officers, have general responsibility for the membership and operational matters for Brick Consortium.

B) The Steering Committee shall adopt amendments to these Rules as it deems necessary for the benefit of Brick Consortium.

C) The Steering Committee shall decide on exemptions from the general rule of non-remunerative licenses, in cases where a Member has made a disclosure of Essential Intellectual Property Rights according to Section 5.4 above and requested a right to license such rights on reasonable and nondiscriminatory terms.

D) The Steering Committee shall organize the annual meetings of the membership, and in cooperation with the Other Committees, the voting procedures at said annual meetings.

E) The Steering Committee shall define the work areas for the Technical Committee.

F) The Steering Committee shall approve the budgets of the Other Committees and subject to such budget shall determine the annual membership fee.

G) The chairman of the Steering Committee shall act as a spokesperson for Brick Consortium, subject to the oversight of the Board of Directors of Brick Consortium with respect to matters of corporate governance.

H) The Steering Committee shall safeguard and uphold the interests of all Members of Brick Consortium equally, regardless of level of membership and Scope of Membership.

### E.1.5 *Voting Procedures*

Decisions by the Steering Committee pursuant to Section E.1.4.B shall require the unanimous vote of the Steering Committee Members present at such meeting. For the avoidance of doubt, the adoption of a new Technical Area in accordance with Section 5.5 above shall not be deemed to constitute an amendment to these Rules requiring a unanimous voting result. All other decisions by the Steering Committee in accordance with shall require a simple majority vote of the Steering Committee Members present at such meeting.

## **E.2 Other Committees**

### E.2.1 *General*

The Other Committees include the following: Technical Committee, Technical Services Committee, Communication Committee and any other committee established by the Steering Committee. The Other Committees shall each consist of the number and types of Members as set forth by the Steering Committee. Only Full Members, Institutional Members, and Contributing Members may be represented in the Other Committees. Each Member of each of the Other Committees shall be entitled to have, as a maximum, one (1) representative in each of the Other Committees. In the event of a merger between two (2) Members, the surviving Member, may have only one (1) representation in each of the Other Committees. A Member may resign from any of the Other Committees by written notice to the chairman of that committee. In the event that any Member of any Other Committee is absent from the meeting of the applicable Other Committee or the working group thereof for more than three (3) consecutive meetings, such Member shall be automatically disqualified from membership of such Other Committee.

### E.2.2 *Initial Phase of the Other Committees*

The Other Committees shall be deemed established, at a date following the Formation Date on which three (3) Members for the Other Committee are available and nominated by the Steering Committee.

### E.2.3 *Other Committees Elections*

The procedure described in relation to the Steering Committee in Section E.1.3 above, shall apply *mutatis mutandis* to the appointment of members to the Other Committees. Each of the Other Committees shall appoint a chairman by majority vote at the first Committee meeting following the annual meeting described in Section 3.1.1. The chairman of each Other Committee shall appoint a person to serve as the vice chairman of such Other Committee. In absence of the original chairman, the vice chairman shall chair the meetings of such Other Committee.

#### E.2.4 *Voting Procedures*

Unless otherwise explicitly provided for herein, all decisions by the Other Committees shall be made by majority vote.

#### E.2.5 *Working Groups*

The Other Committees shall be able to form working groups as needed. Working groups can have both Members and Brick Guests as participants, but working groups shall have a Member as the chair of the working group.

### E.3 **Technical Committee**

#### E.3.1 *Technical Committee Duties and Responsibilities*

The Technical Committee shall organize its work in accordance with the instructions from the Steering Committee, and in areas where needed to form technical working groups, and set the frames for future development of the Brick Specifications, which the Technical Committee shall govern and administer. The Technical Committee shall have the following responsibilities, subject to the oversight of the Board of Directors of Brick Consortium with respect to matters of corporate governance:

A) The Technical Committee shall, directly or through its working groups, receive Contributions and proposals of extensions of the Brick Specifications from Full Members, Contributing Members and Institutional Members of Brick Consortium.

B) The Technical Committee shall govern and co-ordinate the content of the Common Specification, including, but not limited to any updates thereof, and ensure that the highest common denominators of each respective Brick Specification are properly identified in the Common Specification. The Technical Committee shall further review for approval initiation of the adoption procedure for new versions of the Common Specification in accordance with Section 5.7 above, which may lead to the full embracement of such new versions by Brick Consortium. The adoption of, and all changes to, the Common Specification shall require a 2/3 majority vote of the Technical Committee.

C) The Technical Committee shall, prior to starting up work in new work areas, obtain approval from the Steering Committee.

D) The Technical Committee shall govern and administer the work in its approved work areas.

E) The Technical Committee shall define and approve, by 2/3 qualified majority vote, work items for working groups (which may consist of one (1) or more individuals) organized under the Technical Committee.



F) The Technical Committee shall receive work item project proposals from the working groups.

G) Project proposals from working groups shall be reviewed and approved by the Technical Committee. Approval of such project proposals shall require 2/3 qualified majority vote of the Technical Committee.

H) The Technical Committee shall receive Specification proposals, based on approved project proposals, from the working groups regarding one or several Brick Specifications.

I) The Technical Committee shall receive or instigate proposals for new Technical Areas, and forward such proposals to the Steering Committee for the initiation of the adoption procedure set out in Section 5.7 above, provided however that the Technical Committee has decided, by 2/3 qualified majority vote, to recommend such adoption to the Steering Committee.

J) The Technical Committee shall review for approval, by 2/3 qualified majority vote, initiation of the adoption procedure for a Specification proposal in accordance with Section 5.7 above, which may lead to the full embracement of the Specification proposal by Brick Consortium.

K) The Technical Committee shall forward to the Steering Committee all disclosures of Essential Intellectual Property Rights made by Members in accordance with Section 5.3 above.

L) The Technical Committee shall decide, by 2/3 qualified majority vote, whether to proceed with the adoption procedure for a Specification proposal in cases described in Section 5.7.B above.

M) The chairman shall act as a spokesperson for the Technical Committee.

#### **E.4 Technical Services Committee**

##### *E.4.1 Technical Services Committee Duties and Responsibilities*

The Technical Services Committee shall organize its work in accordance with the instructions from the Steering Committee, and with the main tasks listed below, subject to the oversight of the Board of Directors of Brick Consortium with respect to matters of corporate governance:

A) The Technical Services Committee shall define and create a verification and self-certification process for Brick Compliant Products.

B) The chairman shall act as a spokesperson for the Technical Services Committee.

## **E.5 Communication Committee**

### *E.5.1 Communication Committee Duties and Responsibilities*

The Communication Committee shall organize its work in accordance with the instructions from the Steering Committee and govern and administer planning of promotional activities of Brick Consortium through events such as trade shows, press announcements and Brick Consortium's web site, and preparation of exhibitions and promotional materials thereto, subject to the oversight of the Board of Directors of Brick Consortium with respect to matters of corporate governance.

A) The Communication Committee shall initially set up a Brick Consortium web site through which communication with the Members, and to the extent applicable external parties, primarily shall take place.

B) The Communication Committee shall appoint one (1) lead spokesperson for Brick Consortium.

C) The chairman shall act as a spokesperson for the Communication Committee.

**APPENDIX F:**

**AGREEMENT TO BE BOUND BY BRICK MEMBERSHIP RULES**

I, \_\_\_\_\_, state that:

1. My present employer is \_\_\_\_\_ and the address of my present employment is \_\_\_\_\_.
2. My present occupation or job description is \_\_\_\_\_.
3. I would like to participate in Brick activities relating to the development of Brick Specifications as a Brick Guest as that term is defined in the Brick Membership Rules.
4. I have received a copy of the Brick Membership Rules, dated \_\_\_\_\_. I have carefully read and understand these Rules and I will comply with all of their provisions.
5. In particular, I will comply with the disclosure and licensing provisions set forth in the Brick Membership Rules relating to Intellectual Property Rights.

Date: \_\_\_\_\_

Email: \_\_\_\_\_

Name: \_\_\_\_\_

Signature: \_\_\_\_\_