

**FORM 1023 ATTACHMENT**

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**Part IV. Narrative Description of Your Activities**

For entrepreneurs, everything begins with an idea. A great idea needs an environment that encourages and incentivizes creators to bring their imaginations to life. Here, intellectual property (IP) protections play a critical role. They give tangible value to ideas and empower people to earn a livelihood off of their creativity. They fuel economic growth, job creation, and access to creative and innovative output. America wrote the book on innovation, yet the US has dropped to 12<sup>th</sup> place in patent system strength internationally, according to the [US Chamber of Commerce](#). Without strong patent protections, inventors will find it impossible to protect their ideas and they will face even more infringement by big companies and foreign competitors. Already, intellectual property theft impacts nearly half of all American businesses each year.

Inventiv Foundation (“Foundation”) is organized to conduct and distribute research, studies, and analysis relating to innovation and economic issues and to provide tools to aid inventors in enhancing our world through new inventions that are protected by the IP system. The Foundation seeks to focus public debate on solutions to threats to the patent system protecting innovation. The Foundation intends to develop technical solutions such as software as well as policy solutions and proposals to address innovation problems. The research, education, and outreach activities will be aimed toward promoting inventions and the use of the IP system to protect inventions.

The Foundation will concentrate its educational and outreach activities in communities and neighborhoods most directly affected by the patent system, with an emphasis on low- and middle-income, multicultural, and rural communities. Resources will be directed toward grassroots organizations that work principally with these groups.

Research

The Foundation will conduct research projects on specific inventor problems and threats, addressing those issues that affect day-to-day lives and health of their inventions in these communities. This research will be the basis for developing educational materials and support software to help inventors protect their ideas. Each year, the Board of Directors, with the advice of technical and public policy experts, will approve several issues for research projects. For example, these topics might include artificial intelligence assistance for patent filing and market uses, low-cost patenting. The Foundation’s initial study will focus on how to improve quality while reducing the cost of patent filings. Subsequent studies will focus on automated data transfer with the patent offices to reduce filing errors, for example.

With the financial assistance of foundations, private donors, and the public, the Foundation will collect information on and study these issues and will incorporate the results of its research into written materials that are accessible to members of the general public, as well as to grassroots leaders and policymakers.

These materials will be announced in the press to ensure that the general public is aware of their availability. In addition, the Foundation will sponsor workshops on results of the research for citizens and community leaders. While the Foundation may express a point of view or set forth recommendations on an issue, all publications will be written with a view toward exploring the broad range of approaches and solutions to complex public policy issues in order to ensure a full and open-minded presentation of the facts. For each project, the Board of Directors will seek to recruit technical and public policy experts, scientists, and other qualified individuals, including community and business leaders.

The Foundation's Board of Directors, officers, and staff are qualified by educational and professional experience to direct and conduct research on inventor issues. Each Director has been active either as an inventor or a patent professional.

### Public Education

In an effort to promote understanding about environmental hazards and innovative policy approaches to these threats, the Foundation will disseminate information from the research program to grassroots leaders, policymakers, and the general public. This includes contributing educational news to a newsletter.

The Foundation will sponsor educational and public forums on various issues in order to increase understanding and knowledge of environmental issues and solutions. Emphasis will be placed on providing forums that reach issues of interest to specific populations. For example, the Foundation will seek to open debate on low-chemical agriculture and organic agriculture for family farmers, to educate the public on unsafe hazardous waste disposal, and to address contamination and remediation in rural and multicultural communities.

## **Part V. Compensation and Other Financial Arrangements**

### **Lines 3a and 3b**

|   |   |
|---|---|
| <b>Name</b>   | Jack Young  |
| <b>Title</b>  | President and Director  |
| <b>Qualifications</b>   | Inventor and Small Business Owner   |
| <b>Average Hours Worked</b>   | 10 hours/month  |
| <b>Duties</b>   | Chief executive officer of the Foundation; supervise and control all of the assets, business, and affairs of the Foundation; preside over Board meetings; perform other duties as directed by Bylaws of the Foundation. |
| <b>Receive compensation from any other organizations that are related through common control?</b> | No  |

|   |   |
|---|---|
| <b>Name</b>   | Bao Tran  |
| <b>Title</b>  | Director  |
| <b>Qualifications</b>   | Patent Attorney   |
| <b>Average Hours Worked</b>   | 10 hours/month  |
| <b>Duties</b>   | Manage affairs of the Foundation; public spokesperson for the Foundation; work with Board to develop projects and Foundationing for the Foundation. |
| <b>Receive compensation from any other organizations that are related through common control?</b> | No  |

|   |                                   |
|---|-----------------------------------|
| <b>Name</b>   | Kurt Brown                        |
| <b>Title</b>  | Director                          |
| <b>Qualifications</b>   | Patent Attorney                   |
| <b>Average Hours Worked</b>   | 10 hours/month                    |
| <b>Duties</b>   | Manage affairs of the Foundation. |
| <b>Receive compensation from any other organizations that are related through common control?</b> | No                                |

|   |   |
|---|---|
| <b>Name</b>   | Robert Huckaby  |
| <b>Title</b>  | Secretary/Treasurer   |
| <b>Qualifications</b>   | Attorney; owns an accounting business.  |
| <b>Average Hours Worked</b>   | 15 hours/month  |
| <b>Duties</b>   | Keep and maintain record of minutes of Board meetings; keep and maintain corporate records; prepare and submit annual report of the Foundation; custody of and responsibility for all Foundations and securities of the Foundation; perform other duties as directed by Bylaws of the Foundation. |
| <b>Receive compensation from any other organizations that are related through common control?</b> | No  |

A member of the Board of Directors, Bao Tran, owns the controlling interest in Sentinel, Inc., a Delaware corporation. The Inventiv Foundation contemplates licensing IP rights including patents, software, and custom functions to Sentinel under contract. Although an agreement has not been reached, the Foundation will only enter into such a contract on terms that are fair and reasonable to it. To avoid conflict of interest, Mr. Tran will recuse himself and a board member of Sentinel will negotiate the terms of the contract with Inventiv.

**Part VI. Your Members and Other Individuals and Organizations That Receive Benefits From You**

**Lines 1a and 1b**

The Foundation will provide software solutions and merchandise, as well as studies and briefing papers, for distribution to the general public, including both individuals and organizations. The fees for these materials, if any, will be nominal and will be based on the costs of production.

**Line 3**

The materials provided above will be given or sold without regard to the individual receiving them. Some individuals who receive materials may have a family or business relationship with an officer, director, trustee, employee, or independent contractor of the Foundation, but this relationship will not warrant special discounts or eligibility to receive the materials.

**Part VIII. Your Specific Activities**

**Lines 2a and 2b**

While primarily a research and educational organization, as described in Part IV (above), the Foundation may conduct some lobbying activities. The Foundation is electing to have its legislative activities measured by expenditures, as defined in IRC Section 501(h) and IRS regulations. The Foundation will allocate resources for activities to influence legislation in accordance with the 501(h) Expenditure Test and its related regulations. The time/money spent on influencing legislation is not expected to be a significant part of the total activities.

**Line 4a**

The Foundation will use its staff, directors, and others active in the organization to solicit individual and corporate contributions via mail, email, phone, and personal solicitations, and will devote a page on its website to soliciting and processing tax-deductible donations. The Foundation will also seek out and submit proposals to government and foundation grant sources. It is anticipated that the Foundation will generate additional revenues from selling Inventiv merchandise such as t-shirts and hats bearing the Inventiv logo, and selling advertising space. The Foundation plans to offer virtual coins in an initial coin offering (ICO) to access its software, merchandise and advertising sales which will be conducted at the Foundation's Web site.

**Line 4d**

The Foundation will conduct its own fundraising globally, and intends to comply will all applicable state and local fundraising laws and regulations. The Foundation does not intend to fundraise for other organizations nor to use other organizations to fundraise for

**Line 10**

To the extent that the Foundation will publish studies and other reports in its own name, the copyright is expected to be owned by the Foundation.

**Lines 13b-g**

The Foundation will from time-to-time provide grants to Sentinel for certain software activities that will further the exempt purposes of the Foundation (that is, the grants to Sentinel will be to carry out activities that the Foundation could itself engage in).

The Foundation's grants to Sentinel will be provided on the basis of proposals from Sentinel that fully describe the nature of the software engineering activities to be funded as required to satisfy the Foundation's goals. Each grant will be for a fixed dollar amount, will define a grant time period, and will require a written report from Sentinel upon completion. The written report will confirm that the grant was used for the purposes described in the proposal and furthered the exempt purposes of the Foundation.

**Line 15**

As described throughout this application, the Foundation has a connection with Sentinel.

**Part IX. Financial Data**

**A. Statement of Revenue and Expenses**

**Line 9**

Itemized list currently unavailable.

The Foundation intends to prepare studies and briefing papers for distribution to the general public, including both individuals and organizations, some of which may require a fee for purchase. The Foundation will also offer provisional patent application filing software, utility patent application filing software, and trademark filing software to both individual and organizations for a fee for purchase. The Foundation may also seek grants from a governmental unit that are actually payments for research conducted for the government payer. Any such gross receipts received by the Foundation will be reported to the IRS as part of the Foundation's annual information returns.

**Line 23**

|                  | <b>Proposed 2018</b> | <b>Proposed 2019</b> | <b>Proposed 2020</b> |
|------------------|----------------------|----------------------|----------------------|
| Office Equipment | \$10,000             | \$5,000              | \$5,000              |
| Phone/Server     | \$2,000              | \$2,000              | \$2,000              |
| Office Supplies  | \$2,500              | \$2,500              | \$2,500              |
| Copying/Printing | \$5,000              | \$5,000              | \$5,000              |
| Postage/Web Exp. | \$5,000              | \$5,000              | \$5,000              |
| Travel           | \$2,500              | \$2,500              | \$2,500              |
| <b>TOTAL</b>     | <b>\$27,000</b>      | <b>\$22,000</b>      | <b>\$22,000</b>      |