CONSULTATION POLICY

Inner Planets Terraforming Foundation Corporation

Adopted: 25 July 2026, by resolution of the Board of Directors (Resolution 2026-OM-3).

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1. Purpose and authority

This Consultation Policy ("Policy") implements Articles III(e) (the §501(c)(3) catch-all under which paid consultation is authorized) and III(f) (specific limits on consultation) of the Foundation's Articles of Incorporation and Article VIII of the Foundation's Bylaws, which together authorize and constrain the Foundation's engagement in paid consultation services. The Policy provides operational rules and procedures for accepting, scoping, performing, and closing consultation engagements consistent with the Foundation's exempt scientific, educational, and charitable mission.

This Policy is adopted by the Board pursuant to Bylaws Section 8.9.

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2. Scope

This Policy applies to any engagement under which the Foundation provides scientific, engineering, technical, or related advisory services to a third party for compensation. It does not apply to:

educational programs offered to the general public, even if for a fee that recovers cost (e.g., conference registrations);

sale of Foundation publications or licensed Foundation outputs;

gift-supported research projects in which a donor receives no proprietary benefit;

services provided pro bono.

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3. Substantially-related test

No consultation engagement shall be undertaken unless the IP and Open-Publication Committee determines, in advance and in writing, that the engagement is **substantially related** (other than through the production of income) to the Foundation's exempt purposes within the meaning of Sections 511–513 of the Internal Revenue Code. The Committee's substantial-relatedness determination shall consider:

(a) whether the subject matter of the engagement falls within the Foundation's research and educational areas as set forth in Articles III(a)–(c);

(b) whether the work to be performed advances scientific or educational understanding, as opposed to applying off-the-shelf expertise to commercial problems unrelated to research advancement;

(c) whether the engagement contributes to the development and education of the Foundation's personnel; and

(d) whether the public will benefit from the engagement, including through the eventual public availability of research results under Sections 7–9 of this Policy.

The Committee's substantial-relatedness determination shall be documented in writing and retained as part of the engagement record. A negative determination is a hard stop: the engagement may not proceed.

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4. Absolute prohibitions

The Foundation shall not under any circumstances enter into a consultation engagement with:

(a) any person who is, at the time of the engagement, a disqualified person within the meaning of IRC §4946 with respect to the Foundation, including the founder, the founder's spouse, any other current director or officer, any of their families as defined in §4946(d), or any entity in which they hold ≥35% ownership; or

(b) any person whose engagement would require the Foundation to act in a manner inconsistent with its Articles of Incorporation or Bylaws, including any engagement requiring permanent confidentiality of research results that would otherwise be subject to Article III(c) of the Articles.

The prohibition in subsection (a) is absolute. Even if the proposed pricing, scope, and terms would be entirely fair and at arms-length, the engagement is forbidden as a per-se §4941 self-dealing matter. There is no exception.

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5. Engagement intake

(a) **Initial inquiry.** Initial inquiries from prospective clients shall be received by the Chair, the Treasurer, or a designated staff member, and forwarded to the IP and Open-Publication Committee for evaluation.

(b) **Conflict screen.** Before substantive evaluation, the Treasurer shall confirm that the prospective client is not a disqualified person under §4946. The Treasurer shall maintain a current list of known disqualified persons, including all directors, officers, their families, and any entities they own or control to the §4946 thresholds.

(c) **Substantive evaluation.** The IP and Open-Publication Committee shall conduct the substantially-related determination required by Section 3 and shall determine the embargo period under Section 7.

(d) **Pricing and scope.** The Treasurer shall develop a proposed pricing and scope structure consistent with Section 6 below.

(e) **Approval.** Engagements with a contract value of less than $50,000 may be approved by the Chair on recommendation of the IP and Open-Publication Committee. Engagements with a contract value of $50,000 or more, or with any embargo period exceeding 30 months, or with any of the additional Board-approval triggers set forth in Bylaws Section 8.7, require approval by the full Board.

(f) **Contracting.** Approved engagements shall be documented in a written contract executed before any work commences. The contract shall include (among other terms) the substantive scope of work, the pricing, the embargo period, the IP terms (Section 8 below), and the public-release plan (Section 9 below).

6. Pricing

Consultation services shall be priced to:

(a) recover the Foundation's direct costs (including salaries, benefits, and supplies allocable to the engagement);

(b) recover a reasonable allocation of the Foundation's indirect costs (overhead);

(c) contribute reasonably to the Foundation's mission, in the form of a margin above costs that is reinvested in the Foundation's research and educational programs; and

(d) avoid pricing in a manner indistinguishable from a for-profit consulting business.

The Treasurer shall develop and maintain a written pricing methodology, reviewed by the Investment Committee or another designated body annually. The pricing methodology shall reflect arms-length norms but shall not include profit-maximizing features (such as performance-based fees, contingent fees, or premium pricing for premium clients) that would suggest commercial purpose.

7. Embargo determinations

Pursuant to Article III(f)(i) of the Articles, the period of client confidentiality on engagement outputs shall be limited to the period **reasonably necessary** to permit the client to obtain patent or other proprietary protection for any inventions, discoveries, or other proprietary outputs resulting from the engagement.

The IP and Open-Publication Committee shall determine the embargo period for each engagement in advance, in writing, with reference to the following operational guidelines:

Patent path

Reference embargo period

Approval

U.S. priority filing only

18 months

IP and Open-Publication Committee

PCT international filing

24 months

IP and Open-Publication Committee

Complex international or multi-jurisdictional filing

up to **30 months**

IP and Open-Publication Committee with Board notice

Any period exceeding 30 months

exception only

Full Board approval with written justification

These reference periods are guidelines, not maximums. The Committee may approve shorter periods where appropriate, and shall not approve longer periods without affirmative justification tied to the legitimate patent-protection purpose.

Permanent confidentiality is prohibited under Article III(f)(iii). The Foundation shall not enter into any engagement that requires confidentiality of any research result beyond the period determined under this Section 7.

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8. Intellectual property terms

For each engagement, the IP and Open-Publication Committee shall, in advance, document the IP terms, including:

(a) **Background IP.** Pre-existing IP of each party remains with that party; each party grants the other a limited license to use its background IP only for purposes of the engagement.

(b) **Foundation foreground IP.** New IP created by Foundation personnel during the engagement is, by default, owned by the Foundation. The Foundation may, by written agreement and consistent with Article III(f)(i) of the Articles, permit the client to obtain or retain patents, copyrights, or other proprietary rights resulting from the engagement, provided that the underlying research is itself made available to the public on a non-discriminatory basis within the embargo period.

(c) **Open-publication mandate.** All foreground research results, regardless of patent ownership, shall be made available to the public on a non-discriminatory basis upon expiration of the embargo period. Generalizable methodologies, scientific principles, and non-client-specific learnings shall be released to the public in the ordinary course, without regard to the embargo, in accordance with Article III(f)(ii) of the Articles.

(d) **Use of client confidential information.** The Foundation shall protect the confidentiality of client confidential information disclosed to it during the engagement, but shall not accept obligations that conflict with the open-publication mandate or this Policy.

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9. Public-release planning

For each engagement, the IP and Open-Publication Committee shall, at engagement close-out, plan the public release of foreground research outputs, including:

the form of release (publication, repository deposit, license, etc.);

the timing of release (subject to the embargo);

attribution to the client (where appropriate and consented);

integration with the Foundation's broader research outputs.

The Treasurer shall maintain a register of engagements, embargoes, and actual public-release dates, available to the Board, the Audit Committee, and external auditors and examiners.

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10. UBIT tracking

The Treasurer shall track on an engagement-by-engagement basis all revenue from consultation services and all directly-allocable expenses, and shall make and document the determination of whether any portion of the revenue constitutes unrelated business taxable income under §§511–514. The Treasurer shall include all required UBIT reporting in the Foundation's Form 990-PF.

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11. Annual reporting and review

The Treasurer shall report to the Board, at the annual meeting and at any other regular meeting where consultation activity has been material, on:

all consultation engagements undertaken during the relevant period;

aggregate revenue, expenses, and net contribution of consultation activity;

any UBIT determinations;

any engagement closures, including embargo expirations and public-release events;

any consultation-related compliance issues raised in the period; and

the Foundation's overall consultation activity as a share of total activity, with reference to the §513 substantially-related test and to the practical IRS-appearance considerations described in the Decision Register.

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12. Review and amendment

This Policy shall be reviewed by the IP and Open-Publication Committee not less than annually and recommended to the Board for re-adoption, amendment, or replacement as appropriate. Material amendments require the approval threshold for amendment of bylaws under Bylaws Article XI.

End of Consultation Policy.