
UM and azM Knowledge Rights Regulations

In view of:

- the Dutch Patents Act 1995, Articles 12.1 and 12.3, based on which patents and the related rights accrue to the Employer, insofar as the nature of the Employee's employment is such that, in performing his/her duties, the Employee devises/develops Applications/Inventions, and, in view of Article 12.2, based on which patents and the related rights ensuing from activities performed by a trainee accrue to the party for which the activities were performed;
- the Dutch Copyright Act, Article 7, based on which the Employer is viewed as the creator of the Work, and in view of the Dutch Databases (Legal Protection) Act;
- the cooperation between UM and azM in the field of education and research;
- the current Collective Labour Agreement of Dutch Universities and the Collective Labour Agreement of University Medical Centres;
- the importance which UM and azM attach to developing and commercialising knowledge, know-how and research results, as well as to making these tangible and identifiable and protecting them where possible, and exploiting this knowledge and know-how and these results in a responsible manner;
- BioMedbooster B.V., incorporated on 24 March 2006 to exclusively exploit azM's and UM's available knowledge, know-how and results in the Life Sciences area commercially, and the BioMedbooster B.V. Initiator's Agreement dated 29 March 2005;
- the desire by UM's Executive Board and azM's Board of Directors to adopt similar rules for UM and azM concerning knowledge rights,

UM's Executive Board and azM's Board of Directors hereby decide to adopt the following Regulations on Applications, Inventions, Works and Databases by Employees and Interested Parties involved in research or activities from which Applications, Inventions, Works or Databases ensue and/or in which specific knowledge and know-how is developed and gained and/or where research results are generated.

Article 1 Definitions

Department: the organisational unit of azM mentioned in the azM Management Regulations.

azM: University Hospital Maastricht, the Employer.

BB: BioMedbooster B.V. or another legal entity designated by UM and azM for the Exploitation and commercialisation of knowledge.

Interested Party:

a natural person, who is not an Employee, involved in research or activities for UM or azM. For purposes of these Regulations, this will also include endowed professors, students and interns.

Database: a collection of Works, data or other independent elements which are systematically or methodically arranged and are separately accessible with electronic means or otherwise and of which the acquisition, verification or presentation of the content qualitatively or quantitatively demonstrates a substantial investment.

Unit: an organisational unit of a Faculty indicated in the relevant Faculty's Regulations.

Exploitation: commercialising Applications, Inventions, Works and Databases.

Faculty: one of UM's Faculties indicated in the UM Administrative and Management Regulations.

Invention Disclosure Form:

a form in which the Inventor gives a technical description of the Invention and also indicates who the co-Inventors are and what the commercial importance and application possibilities are.

Regulations: the UM and azM Knowledge Rights Regulations.

Software: computer programs and preparatory materials (functional and technical designs) which, pursuant to the European Directive on the legal protection of computer programs (14 May 1991) are considered Works.

Start-Up Private Limited Company:

a legal entity established under BB's coordination for the purpose of Exploitation and continued development of an Application, Invention, Work or Database, where applicable, based on a Sub-Licence to be issued by BB.

Trust Office Foundation:

the BioMedbooster Trust Office Foundation. The Start-Up Private Limited Company shares of Employees will be placed here. The Trust Office Foundation will also play a role in financial decisions regarding the Start-Up Private Limited Company.

Sub-Licence: the right to use an Application, Invention, Work or Database granted by BB pursuant to a licensing agreement referred to in Article 5.5 to a Start-Up Private Limited Company or a third party for purposes of the Exploitation of that Application, Invention, Work or Database.

Application: knowledge, know-how or an idea which is useful and potentially profitable for Exploitation.

Inventor: an Employee or Interested Party who, alone or together with others, has made an Invention or developed an Application, Work or Database.

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- UM: Maastricht University, the Employer.
- Invention: an Application which may be protected through Patent Rights.
- Work: a work within the meaning of Article 10.1 of the Copyright Act.
- Employer: the party employing the Employee, that is, UM and/or azM.
- Employee: a natural person working for UM and/or azM based on an employment contract.

Article 2 Objective

The purpose of these Regulations is to promote the transfer of knowledge to third parties (more specifically, businesses), as well as to obtain revenues from Exploitation for UM and azM and distribute the earnings across the relevant Faculties, Units, Departments and the Inventors. The Regulations are intended to increase commercialisation of new knowledge, partly by protecting this knowledge.

Article 3 Distribution of ownership rights between UM and azM

- 3.1 UM will hold the ownership rights ensuing from the Application, Invention, Work or Database developed within the Faculties, except for the Faculty of Health, Medicine and Life Sciences.
- 3.2 UM and azM will jointly hold the ownership rights ensuing from the Application, Invention, Work or Database jointly developed by azM and the Faculty of Health, Medicine and Life Sciences.

Article 4 Scope of these Regulations

- 4.1 These Regulations will apply to all Inventions made and Applications, Works and Databases developed by Employees and Interested Parties in connection with their work for UM or azM.
- 4.2 UM's Executive Board may enter into an agreement with respect to which the rights to Applications, Findings, Works and Databases deviate from these Regulations, after consulting with the Faculty dean or azM's Board of Directors, depending on the origin of the property rights. In that instance, the substance of the agreement concluded by UM or azM will primarily apply, and these Regulations will have supplemental effect.
- 4.3 The Interested Parties or legal entities involved in patient care, education and/or research within UM or azM must be bound contractually by a confidentiality agreement and by these Regulations. Employees working partly outside UM or azM in the same field and, if applicable, their other employer must enter into written agreements on ownership rights ensuing from these activities.
- 4.4 As regards Works, these Regulations will only apply to Software, and, as regards Databases, these Regulations will only apply to Databases which do not include personal data within the meaning of the Dutch Personal Data Protection Act. For Works to which these Regulations do not apply, the agreements in effect at azM will apply within azM when these Regulations come into force and, within UM, the regulations in effect at UM. azM and UM will endeavour to adhere to the same points of departure regarding Exploitation of Copyrights.
- 4.5 'Application' will not include commercial patient care and/or commercialisation of education.
- 4.6 If the notice referred to in Article 5.1 of these Regulations is based on activities for third parties pursuant to an authorised written agreement concluded in which agreements have been made with the third party about ownership rights and confidentiality, the substance of the agreement concluded by UM or azM will primarily apply, and these Regulations will have supplemental effect.
- 4.7 The Regulations will be available to all UM and azM Employees and to Interested Parties.

Article 5 Report of an Application or Invention and the procedure description

5.1 *Report*

An Employee or Interested Party who presumes to have made an Invention for which a patent could be requested or to have developed an Application which may be suitable for Exploitation must report the Invention or Application to the Department or Unit or to BB.

An Employee or Interested Party who has a proposed publication which s/he knows or reasonably may know will disclose Applications or Inventions or may result in such disclosure must report this to the Department or Unit or to BB.

An Employee or Interested Party who is approached by a natural person or legal entity in connection with possible Exploitation of an Application or Invention must report this to the Department or Unit or to BB before oral or written discussions begin with this person or entity. Reports received by a Department or Unit will be forwarded to BB.

If a report is received by BB, BB will inform the Department or Unit of the report.

5.2 *Initial screening by UM's and azM's legal departments*

BB will inform UM's and azM's legal departments of the report, and they will, within seven (7) calendar days after receiving the report, ascertain whether ownership rights accrue to a third party based on an agreement. BB will be informed of the legal departments' findings, with, if applicable, BB also being informed of the IP-related conditions in the agreement mentioned in the previous sentence. BB will inform the Employee or Interested Party of the findings of the legal review.

5.3 *Initial screening by BB regarding patent application and market potential*

Within 60 days after submitting an Invention Disclosure Form with the Inventor about the Application or Finding concerned, BB will notify the Inventors and the Department or Unit board whether the Application or Invention is profitable enough commercially and patent-wise to develop it further. If the Invention or Application is profitable enough for further development and/or patenting, BB will apply for a patent for the Invention within 30 days after notifying the Department or Unit board referred to in the first sentence of this Article 5.3.

5.4 *Final decision by BB on commercialisation*

Within thirty (30) months after the Invention Disclosure Form referred to in Article 5.3 is submitted, BB will decide whether the Application and/or Invention will definitively be further developed commercially within BB through a licensing agreement with a market party or the establishment of a Start-Up Private Limited Company. BB will inform the Inventors and the Department or Unit board of this decision.

5.5 *Licensing Agreement*

After a positive decision by BB as referred to in Article 5.3, BB will draw up a licensing agreement between azM and/or UM and BB. The Inventor will receive a copy of the signed agreement.

5.6 *No Exploitation by BB*

a. If the decision by BB referred to in Article 5.3 is that BB will not apply for or maintain a patent for the Invention or Exploit the Invention or Application, BB will inform the Inventor and the Department or Unit of this, stating the reasons.

b. If BB decides not to engage in Exploitation or to maintain a patent or Application for which a licensing agreement was concluded between BB, UM and/or azM at an earlier stage, BB will notify UM and azM by registered letter that the licensing agreement is being terminated, stating the reasons.

c. If the situation described in Article 5.6(a) or (b) arises, UM and/or azM will inform the Inventor and the relevant Department or Unit. The Inventor will then be entitled to create or maintain a patent and Exploit the Invention or Application at his/her own expense and in the name of UM and/or azM, which will remain the proprietor(s) of the patent. Insofar as there is not a licensing agreement yet between BB, UM and/or azM or a sub-licensing agreement with the Inventor, BB will arrange for this.

d. The proceeds ensuing from such Exploitation will – after application of Article 9.1 – be divided as follows:

- i. 33.33% will be designated for UM and/or azM;
- ii. 33.33% will be designated for the Department or Unit;
- iii. 33.33% will be designated for the Inventor.

5.7 *Best-efforts obligation on the Inventor's part*

At BB's request, the Inventor must actively help protect and Exploit the Invention.

5.8 *Provision of information*

The Inventor, the Department or Unit of the Employee or Interested Party, UM's Executive Board and azM's Board of Directors will, subject to a confidentiality obligation, always be entitled to full information about the progress in the procedure and status regarding the Invention or Application.

5.9 *Report of an Invention within one year after leaving azM and/or UM*

If an Invention is made by a former Employee or Interested Party within one year after s/he leaves UM and/or azM, this Employee or Interested Party must report this to the Unit or Department where s/he worked, insofar as this concerns an Invention ensuing in whole or in part from research or activities for UM or azM.

Article 6 Report of a Work or Database and the procedure description

- 6.1 If a report concerns a Work or Database, BB must inform the Department or Unit immediately.
- 6.2 Each Employee or Interested Party performing activities which s/he knows or reasonably may know may result in an Exploitable Work or Database must report this in writing as soon as possible to his/her line manager and BB.
- 6.3 If an Inventor is approached by a natural person or legal entity in connection with potential Exploitation of a Work or Database, s/he must report this in writing as soon as possible to his/her line manager and BB. The Inventor may not under any circumstances make agreements with third parties about possible Exploitation.
- 6.4 In consultation with the Department or Unit board and the Inventor, BB will determine how the Exploitation will occur. A decision may also be taken to grant BB a licence for Exploitation.
- 6.5 If the Exploitation is done by BB, the share of the revenues from the Exploitation for BB in accordance with Article 9 will be recorded in a licensing agreement between azM and/or UM and BB. Articles 9.2 through 9.8 will apply by analogy to the internal distribution of revenues.

Article 7 Confidentiality

- 7.1 The Inventor and any Employee or Interested Party with knowledge about an Application, Invention or Work must maintain confidentiality towards third parties regarding the Application, Invention or Work in question and regarding any information from the project or research from which the Application, Invention or Work ensues for the period necessary to complete the procedure referred to in Article 5. In conformity with Article 5.3, this period will be at most 60 days, calculated from the time an Invention Disclosure Form is submitted, unless otherwise agreed in a research or cooperation agreement.
- 7.2 During the period referred to in Article 7.1, Inventors and each Employee or Interested Party with knowledge of an Application, Invention or Work will not publish or otherwise disclose the relevant Application, Invention or related knowledge, know-how or ideas.
- 7.3 The Employee and Interested Party may not make any disclosure or promise to third parties from which rights or obligations for ownership rights ensue or could ensue, unless prior, written permission is given by the Faculty dean or, if a azM Employee is involved, by azM's Board of Directors, in consultation with BB.

Article 8 Patent application

- 8.1 If there is an Application/Invention developed by one or more Inventors working at both UM and azM, UM and azM will have joint authority to file a patent application and sign the licensing agreement with BB, with this authority being transferred to BB. If the Application/Invention has been developed by an Inventor solely working at UM, UM's Executive Board will have authority to do this. If the Application/Invention has been developed by an Inventor working at azM, azM's Board of Directors has this authority.
- 8.2 The names of the Inventors will be mentioned in the patent application.

Article 9 Distribution and payment of proceeds from Exploitation of an Invention or Application (royalties)

- 9.1 If an Application or Invention generates proceeds, BB will first deduct from these all costs which it has incurred to create and maintain the patent concerned, as well as the Exploitation costs. All costs must be documented by BB.
- 9.2 After application of Article 9.1, BB will itself keep 33.3% of the remaining proceeds and transfer the other 66.7% to UM and/or azM. Within 45 calendar days after receiving the proceeds, BB will send an overview of the proceeds to UM's Executive Board and/or azM's Board of Directors. Based on this overview, UM and/or azM will invoice the royalties concerned to BB.
- 9.3 The proceeds which UM or azM receives in connection with the invoice under Article 9.2 will be distributed as follows:
- a. 50% will be designated for the Inventors jointly. If the Inventor is an Employee, the compensation will be paid out by the Employer as salary;
 - b. 50% will be designated for:
 - i) the Unit, if the Application or Invention ensues from research;
 - ii) the Department, if the Application or Invention ensues from patient care.
- 9.4 The Unit or Department must designate the proceeds referred to in Article 9.3(b) for the activities of the Unit or Department from which the Application, Invention, Work or Database came. If this Unit or Department no longer exists when the proceeds need to be distributed, the proceeds will go to the next highest organisational unit.
- 9.5 Insofar as the Application, Invention, Work or Database ensues from research, the proceeds referred to in Article 9.3(b) must go to research.
- 9.6 If the Inventor leaves UM or azM, the payment referred to in Article 9.3(a) of this Article will also be made up to 10 years after the date on which the Inventor left UM or azM, provided s/he ensures that his/her Employer remains aware of his/her name and address information and bank number. The Inventor will bear the burden of proof in this respect.
- 9.7 BB will make the payment referred to in Article 9.3 to UM or azM, with BB indicating which agreements about the distribution were made with Employers, Units and Departments and, if applicable, with Inventors.
- 9.8 If it is decided to establish a Start-Up Private Limited Company for the Exploitation of the Application, Invention, Work or Database, the Inventor will retain the right to compensation in conformity with Article 9.3(a).

Article 10 Start-Up Private Limited Company

- 10.1 If a choice is made to incorporate a Start-Up Private Limited Company for the Exploitation of the Application, Invention, Work or Database, the distribution of the shares will be determined on an ad hoc basis, on the understanding that UM and/or azM, and BB (whether or not through UM Holding B.V. or MUMC Holding B.V.) will in principle not jointly subscribe for more than 49% of the shares, with UM, azM and BB, as well as, if involved, UM Holding B.V. or MUMC Holding B.V., intending to hold these shares for merely a limited time.
- 10.2 If the Inventors opt to perform activities in part at the Start-Up Private Limited Company, appropriate agreements will be made with the Employers, based on the ancillary activities regulations applicable at the Employers. All accommodative contracts regarding any activities by the Inventors for the Start-Up Private Limited Company and a detailed draft business plan by BB will be submitted to the Employers.
- 10.3 If, in consultation with the Employers and BB, it is decided that the Inventors will subscribe for shares in the Start-Up Private Limited Company (whether through a private limited company or not) and will partly or otherwise continue to work for UM and/or azM, the Inventors' shares will be placed with the Trust Office Foundation.
- 10.4 The shares will be purchased by the Inventors at the prevailing issue price then. Irrespective of the foregoing, the Inventors will retain the right to compensation in conformity with Article 9.3(a).
- 10.5 Minimum paid-in capital of at least EUR 18,000 will be required upon the incorporation of a Start-Up Private Limited Company.

Article 11 Right to deviate in exceptional cases

11.1 If desired, UM's Executive Board or, if the deviation concerns azM, azM's Board of Directors, may, in exceptional cases, deviate from these Regulations upon the recommendation of the Faculty board, after consulting with the Unit or Department board and provided an express written statement of reasons is given.

11.2 UM's Executive Board and azM's Board of Directors will inform each other about the deviations allowed pursuant to Article 11.1.

Article 12 Effective date and transitional provisions

These Regulations will take effect on 1 January 2014 and, as from that date, will replace the UM and MUMC⁺ Knowledge Rights Regulations adopted by azM's Board of Directors on 23 April 2013 and UM's Executive Board on 27 May 2013. Subject to Article 4.4, the regulations in effect at azM and UM will remain in force with respect to copyrights besides those for computer programs and preparatory materials for this and databases.

With the approval of UM's Executive Board or azM's Board of Directors, the Regulations may be declared to have retroactive effect if, in specific cases, the non-applicability of the Regulations would result in unfair situations.

As regards the proceeds from Applications/Inventions formulated before the effective date of these Regulations, the distribution included in these Regulations will be maintained as from 1 September 2011.

Article 13 Cooperation

The Inventor must cooperate insofar as possible in the procedure for a protective application, in the granting procedure and, if necessary, in the defence of ownership rights.

The Inventor must provide information concerning the Application, Invention, Work or Database if UM, azM or BB requests this.

Adopted by:

azM's Board of Directors on 26 November 2013;

UM's Executive Board on 30 October 2013.

Maastricht, 28 November 2013
JZ 13.061

This is a translation of the document 'Regeling Kennisrechten UM en azM'. In case of a difference of interpretation, this translation cannot be used for legal purposes and the Dutch text of these regulations will be binding.