PROCEDURES FOR IMPLEMENTING THE INTELLECTUAL PROPERTY MANAGEMENT REGULATIONS OF VILNIUS UNIVERSITY IN INDUSTRIAL PROPERTY MANAGEMENT

CHAPTER I
GENERAL PROVISIONS

1. The Procedures for Implementing the Intellectual Property Management Regulations of Vilnius University in Industrial Property Management (hereinafter – the Procedures) regulate the processes, rights and obligations related to industrial property objects created by the employees and students of Vilnius University (hereinafter – the University), including the order of assessment, protection, registration, commercialization of intellectual activity outcomes and revenue sharing arrangements, including related implementation. The Procedures also apply to the management, use, transfer and administration of the University's intellectual property and income derived from its commercialization.

2. The Procedures have been prepared in accordance with Vilnius University Intellectual Property Management Regulations approved by Resolution No. TN-2018-18 of Vilnius University Council dated 19 December 2018 Regarding the Approval of Intellectual Property Management Regulations of Vilnius University, including the laws of the Republic of Lithuania applicable to the protection of intellectual property rights and related implementing legislation.

3. The Procedures are applicable to the University staff and students and other persons engaged in other activities of the University related to intellectual activity outcomes.

4. Definitions used for the purpose of the Procedures:

4.1. Individual Non-Property Rights shall mean the rights related to the author's person (e.g. the author of a literary, scientific, artistic work has the following non-property rights: copyright and the right to the use of their own name as an author, including the right to immunity of the work; the copyright to the invention and the right to the name of an inventor, etc.) and that are specified in respective laws.

4.2. Author shall mean a person who has produced intellectual activity outcomes.

4.3. Plant variety shall mean a group of plants within the lowest known plant taxon, bearing characteristic traits of a genotype or combination of genotypes; distinguished from any other group of plants because of at least one characteristic trait; and considered to be a separate unit because of its ability to reproduce invariably.

4.4. Co-authors shall mean individuals who, through their collective creative work, produce intellectual activity outcomes, whether they form an integral whole or consist of separate parts each of which has an independent meaning.

4.5. Design shall mean an image of the whole or part of a product, consisting of certain specific features of the product and/or its ornamentation – lines, contours, colours, shape, texture and/or material.

4.6. Database shall mean a set of systematised or methodologically processed works, data or other materials which can be accessed individually by electronic or other means, except computer programmes used to create or manage such databases. Databases may be objects of both copyright and sui generis rights. A database is a copyright object if it meets the requirements applicable to a copyright object. A database is an object of sui generis rights if its creation is based on substantial qualitative and/or quantitative (intellectual, financial, organizational) investment into selecting, compiling, verifying and presenting the content of the database.
4.7. **Intellectual property** shall mean property rights and individual non-property rights to intellectual activity outcomes regulated by law. The property rights of the holders of intellectual property rights are related to the exploitation of intellectual activity outcomes and are enshrined in respective laws of the Republic of Lithuania providing for the protection of intellectual property rights.

4.8. **Intellectual activity outcomes** shall mean objects of copyright and related rights, objects of industrial property (inventions, trademarks, design marks, know-how, commercial secrets) and other creative intellectual activity outcomes that are provided for in law and meet applicable legal requirements.

4.9. **Conflict of interests** shall mean a situation where the functions or duties performed by a University employee or student in the creation or commercialization of intellectual activity outcomes at the University are related to his/her private interests.

4.10. **Inventor** shall mean a natural person who created the invention.

4.11. **Invention** shall mean a new and advanced technical solution of a problem (task), which is related to the creation of a new installation, product or process as well as to the improvement of an already known installation or process.

4.12. **Stakeholder (owner, shareholder, member, interest holder, etc.) of a legal body (company)** shall mean a person who holds ownership rights to the property of a legal body, or a person who, in spite of failing to keep ownership rights to the property of a legal body, acquires liability rights and (or) obligations related to the legal person.

4.13. **Commercial secret** shall mean information which has a genuine or potential commercial value by virtue of the fact that it is not known to third parties and it cannot be freely accessed because of reasonable efforts on the part of the proprietor of that information or any other person to whom it has been entrusted to keep it secret. Information that cannot be considered a commercial (industrial) secret is defined by law.

4.14. **Computer programme** shall mean a set of instructions presented in words, codes, schemes or otherwise, that enable a computer to perform a task or to achieve a particular result, when those instructions are given in a manner that the computer can read them. This concept also includes the preparatory design material for such instructions, provided that it would allow creating the aforementioned set of instructions.

4.15. **Know-how (practical experience)** shall mean commercial and other know-how and skills, information and knowledge (including technology, procedures, other specific knowledge) of a production, commercial or scientific character, which are valuable for their practical application. Know-how can be subjected to protection as a commercial secret or be applied any other form of protection provided for in the law.

4.16. **Confidentiality requirement** shall mean a requirement that only authorized persons can have access to certain information and/or documents. Confidential information and/or documents may not be disclosed to the public by any means or method.

4.17. **Licence (licence agreement)** shall mean the permission of the copyright, related rights or sui generis rights holder (licensor) granting the user (licensee) of the work, related rights or sui generis rights the right to use the original or copies of the work, related rights or sui generis rights (subject matter of the licence) in the designated territory in the manner and under the conditions provided for in the licence agreement. The licence may be exclusive or non-exclusive. Exclusive licence shall mean a licence whereby the licensor who grants the licensee the right to use the subject matter of the licence loses the right to grant the same licences to other persons and is not entitled to use the subject matter of the licence themselves to the extent of the rights transferred to the licensee. A non-exclusive licence is a licence by which the licensor grants the licensee the right to use the subject matter of the licence, by at the same time keeping the right to grant such rights to other persons and to use the subject matter of the licence themselves. A licence may be granted for all or part of the intellectual property rights of the object anywhere in the world or within the territory of certain countries.
4.18. **Tangible property** shall mean tangible property related to intellectual activity outcomes, such as engineering drawings, prototypes, equipment, chemical or biological materials, including organisms and bodies, etc.

4.19. **Research and development** (hereinafter referred to as R&D) is a creative activity of getting to know the nature, humanity, culture and society, including utilization of related outcomes.

4.20. **Revenue** shall mean all types of cash and/or non-cash revenue earned and/or received from Lithuanian and non-Lithuanian sources, including author’s honorarium, remuneration for the granted related rights, revenue received as remuneration for transferred rights or licensed use of an industrial property, franchise, or remuneration for the provision of information on production, including commercial and scientific *know-how*, revenue from compensations for breaching copyright or related rights.

4.21. **Patent** shall mean a document issued by an industrial property protection agency on behalf of the state that grants the patent owner the exclusive right to prevent others from making, using, offering for sale, selling or importing a product or process based on a patented invention without prior permission of the owner.

4.22. **Patent purity (cleanliness)** shall mean a legal property of a technical object indicating that it does not contain any element which has valid inventions, utility models or industrial design patents and valid trade mark certificates that are held by somebody else.

4.23. **Industrial property objects** shall mean inventions, design, trademarks, topographies of semiconductor products, plant varieties, etc.

4.24. **Trademark** shall mean any sign which is intended to distinguish the goods or services of one person from the goods or services of another and which may be represented graphically.

4.25. **Topography of a semiconductor product** shall mean a set of interconnected drawings that represent the spatial arrangement of the layers of a semiconductor product. Each drawing represents all or part of the layer appearance. The drawing can consist of standard marking symbols, various conventional signs, and other graphic images.

4.26. **Students** shall mean persons who have entered into study agreements with the University and are enrolled in the University's full time or external student register, including exchange students. This term covers undergraduate, postgraduate and doctoral students, and those who have opted for non-degree (residency) and integrated studies.

4.27. **University spin-off** shall mean a private limited liability company incorporated or co-founded by the University with the aim of commercializing the results of research and development performed at the University.

4.28. **University staff** shall mean persons working at the University under employment contracts concluded with them.

4.29. **University Intellectual Property Management and Investment Committee** shall mean a committee acting in accordance with the procedures established by the University.

4.30. **University start-up** shall mean a limited liability company, created or established by members of the University community under the laws of the Republic of Lithuania or any other foreign state, having its own name and able to acquire and hold rights and obligations in its name, be a plaintiff or a defendant in court and liable for its obligations only within the limits of the company’s assets and seeking to commercialize the results of scientific, study, artistic and cultural activities, know-how or experience, and intellectual activity outcomes developed at the University or belonging to the University’s students and having at least one other shareholder or interest holder in addition to the University. All authors holding intellectual property rights must be included in the list of shareholders or interest holders of the University start-up company or their written waivers to participate in the founding of the University start-up shall be obtained.

4.31. Other definitions used in the Procedures shall be understood as defined in the Law of the Republic of Lithuania on the Protection of Copyright and Related Rights, the Law of the Republic of Lithuania on Plant Varieties and other legislation of the Republic of Lithuania and that of the University regulating intellectual property.
CHAPTER II
INDUSTRIAL PROPERTY EVALUATION

5. A University employee, student or other person engaged in other activities of the University related to the creation of intellectual activity outcomes, who has created an industrial property object to which the University holds the property rights, shall immediately notify in writing or by email the unit responsible for the University’s industrial property management and commercialization, that is the Innovation Office (hereinafter referred to as the Innovation Office) under the Department of Research and Innovations of the University’s Central Administration (hereinafter referred to as the Research and Innovation Department):

5.1. If an invention is reported, the Innovation Office shall be provided with a filled in and signed invention disclosure form (Annex 1) or a copy thereof shall be sent by email.

5.2. In case of reporting about any other object of industrial property (trademark, design, topography, etc.), a written notice of a freely chosen form shall be presented or sent by email to the Innovation Office.

6. A student's supervisor, having noticed that an intellectual activity outcome resulting from the process of University studies may have or has a commercial potential, shall offer the student to sign an intellectual property transfer agreement with the University, which shall be drafted for each intellectual property transfer case separately. If the student agrees to sign an intellectual property transfer agreement, it will be signed alongside a non-disclosure agreement covering commercial secrets and confidential information related to research and development activities in accordance with the procedure established in the University legislation.

7. Unless the rector of the University or their authorized representative decides otherwise, by following the proposal of the University’s Intellectual Property Management and Investment Committee (hereinafter referred to as the Committee), information about the industrial property object that is being or has been created presented in the report about the invention cannot be disclosed to any third persons until the official publication of the respective industrial property protection application. Exception applies only to confidentiality terms.

8. Upon receipt of the report referred to in Paragraph 5 of the Procedures, the Innovation Office shall organize a respective evaluation process. The first step of the evaluation process involves gathering and analyzing the initial and related information contained in the report about an invention or any other object of industrial property. The purpose of collecting relevant information and consulting the authors of the invention or any other object of industrial property, including the academic unit, is to determine whether the invention is new, what level of invention this is, and how it can be applied in a business environment or industry; whether the design is new and has individual characteristics; whether the topography is original and not used in the semiconductor product industry, whether the invention has been disclosed with sufficient clarity, whether the data regarding patent purity (cleanliness) has been presented, etc. If necessary, the Innovation Office shall arrange for further investigation of the object of industrial property.

9. The second stage of the evaluation of an invention or any other object of industrial property is carried out by the Committee.

10. The overall composition of the Committee shall consist of permanent representatives of the Committee and the rotating representatives of respective scientific fields. The composition of the Committee shall be approved by respective decree of the University rector or a person duly authorized by them. Permanent members of the Committee shall include: vice-rector for research (chairman of the Committee), chancellor (vice-chairman of the Committee), director of the Research and Innovation Department, director of the Finance Department under the University’s Central Administration (hereinafter referred to as the Finance Department) and head of Innovation Office. The other three members shall be selected from the list of representatives of respective scientific field(s) depending on the nature of the issue discussed and based on a proposal of (decision by) the Chairman of the Committee. The inventor(s) shall also attend the meetings of the Committee.
The Committee shall operate in accordance with the rules of procedure of the Committee approved by a respective decree of the rector of the University or a person duly authorized by them.

11. The Committee shall make recommendations to the rector of the University or a person duly authorized by them regarding the protection of industrial property objects and investment. The Committee makes recommendations on the protection and/or commercialization potential and forms of commercialization of an invention or any other object of industrial property, including patenting, licensing of knowledge or technology to a business entity(-ies), transfer of proprietary rights to a University spin-off or transfer of property rights of a disclosed invention to the author(s), etc. In exceptional cases, the Committee may recommend investing in objects of copyright (e.g. computer programs, etc.).

12. In view of the complexity and specificity of an industrial property object, internal and/or external experts may be invited to the meetings of the Committee to study the potential of the industrial property object and/or future commercialization of a patent.

13. If there are non-University employees among the inventors who are co-authors of an invention, the Innovation Office will contact these co-authors and/or their workplace (if the invention is made in the course of their official duties) to determine whether the co-authors (their workplace) intend to exercise their intellectual property rights and whether they agree to the proposed terms of legal or other protection and commercialization of the intellectual property.

14. Upon receipt of a written response from non-University co-authors regarding their intention (refusal) to exercise their right to their intellectual creation and their consent (disagreement) with the proposed legal or other terms of protection and commercialization of intellectual property, the Innovation Office shall respectively inform the academic unit of the author(s) of the related industrial property object. The Innovation Office, together with the management of the academic unit and the author(s) of the industrial property object, draw conclusions on the legal protection and commercialization of the industrial property object based on the evaluation results and the letter of the co-authors of the invention from outside the University, if there are any.

CHAPTER III
REGISTRATION AND PROTECTION OF INDUSTRIAL PROPERTY

15. Patent protection is sought by the University only in case of commercially viable inventions and only where it is expedient to publicly disclose information about the object. Information on an industrial property object may not be published or otherwise made public until the date of filing of a respective patent application.

16. The intellectual property protection process is organized by the Innovation Office.

17. Patent applications and other applications for the registration of an industrial property object are prepared by patent attorneys who represent the University in the registration process. The Innovation Office initiates the process of purchasing patent attorney services, coordinates communication with patent attorneys, development and submission of applications, and pays patent renewal fees on time.

18. When the rector or a person duly authorized by them decides to patent, register or otherwise protect an industrial property object on behalf of the University, an Application Form for Accounting and Protection of the Industrial Property Object (Annex 2) shall be signed, establishing the rights and obligations of the University and the author(s) of an industrial property object, including the preliminary distribution of revenue which may be obtained in the event of commercialization of industrial property. The form for accounting and protection of an industrial property object shall be drawn up before the application for patenting or registration of the industrial property object is filed. The form for accounting and protection of an industrial property object may be signed in parallel with the patent application process or when signing a licence agreement or other agreement for commercialization of industrial property.

19. If the University owns the property rights to an object of industrial property, the fees for patenting, registering of the industrial property object and issuing related documents (filing and
publication of invention patent, design, trademark or topography, expert examination, registration, issuing of patent or certificate), including the patent renewal fee for the fourth year of the patent or certificate of registration, and when these fees are not paid by third parties or other external sources of funding, shall be paid by the University from the Innovations Fund (the Fund), part of which is to be used for the purpose of industrial property protection. The University shall pay the applicable tax for the fifth and subsequent years of validity of the industrial property object only in cases of specific commercial use of the property (when a memorandum of understanding or other information on cooperation with potential licensees is presented to the Committee).

20. Industrial property registration documents (patents, trademarks, industrial design certificates, etc.), copyright, licensing, know-how transfer or sale agreements are registered and stored as provided for by the University’s legislation.

21. Throughout the period that the University holds intellectual property rights to industrial property objects and related tangible property, the property shall be stored in the academic unit of the University in which it was created. This particular academic unit of the University must ensure adequate protection of respective industrial property objects.

22. Industrial property objects are included in the accounting according to the procedure established by the laws of the Republic of Lithuania.

CHAPTER IV
COMMERCIALIZATION OF INDUSTRIAL PROPERTY

23. The University may commercialize the industrial property object by transferring or licensing the intellectual property belonging to the University, and by investing in a spin-off of the University. In order to contribute to the creation of an ecosystem of new innovative companies, the University may grant a University start-up status to a start-up company. At a later stage, the University may invest in the start-up company upon recommendation of the Committee.

24. For the purpose of licensing intellectual activity outcomes, the Committee recommends their price, the type of licence (exclusive or non-exclusive), and other licensing terms (such as the recommended amount of licence fee). The final price of the licence and the licensing terms are agreed by way of negotiation with the licensee.

25. The University may establish a spin-off of the University together with partners in R&D activities (projects), the author and/or other natural or legal persons. The University’s contribution to the spin-off company may be cash or non-cash. Usually, the University’s monetary contribution corresponds to the mandatory incorporation fee provided for in the laws of the Republic of Lithuania, and the remaining part of the contribution may take a non-cash form, such as intellectual property right or the property right to use the intellectual activity outcomes. The capital share of the University in a University spin-off should not exceed 20%. However, if the Committee proposes to decide otherwise than set out above in this paragraph, the procedure established by the University Council shall be followed.

26. Investing alongside with private investors and/or venture capital fund(s) is mainly favoured when deciding whether to incorporate or invest in a spin-off.

27. If it is decided to incorporate a University spin-off, the incorporation agreement shall also provide for the following: the University’s contribution, contributions of other stakeholders in the spin-off that is being established, terms and conditions of participation in the management of the University spin-off, profit (dividend) distribution procedure, forms and terms of withdrawal of stakeholders from the University spin-off, and the liability of the stakeholders in the spin-off that is being established.

28. In order to avoid any conflict of interests in the University spin-off, the staff of the University who are involved in the financing of research and innovation or are responsible for concluding and executing transactions with the spin-off, including the staff of the Innovation Office and close relatives of all those listed above as per definition in the Law of the Republic of Lithuania.
on Reconciliation of Public and Private Interests in Public Service shall not act as stakeholders or executives in a University spin-off.

29. If the University chooses not to be a stakeholder in the spin-off, the company may be granted the status of a University start-up company in accordance with the provisions of Paragraph 30 of the Procedures.

30. The University may grant the status of a University start-up company to a legal entity that has already been established or is being established. This status is granted after the University concludes a cooperation agreement with the start-up company. The cooperation agreement sets out the rules for use of the status of the University start-up company, provisions defining the communication between the University and the University start-up company, including the conditions for cancellation of the status of the University start-up company and other rights and obligations of the parties related to the use of the status of the University start-up company.

31. When a start-up company seeks to commercialize research results that were created by using University expertise, financial support, equipment, facilities, other infrastructure and materials, and in cases where University tools (such as cell cultures, process descriptions, chemical compounds, databases, programs, measurement methodologies, algorithms, and other written and oral copyrighted objects and their derivative works and/or their collections have been used, and also in other cases) subject to copyright restrictions were used, the University is recommended, in addition to the cooperation agreement and no later than 30 (thirty) business days following the registration of the University start-up company, to enter into an intellectual property licensing agreement which would set forth the obligations of the University start-up company with respect to the use and commercialization of intellectual activity outcomes.

32. The University does not grant the status of the University start-up company to the legal entities, which themselves or whose stakeholders comply with the provisions of the University’s social partnership regulations (principles, criteria) based on which the University does not cooperate with or become a stakeholder in such companies.

33. In the event of any violation of the provisions of the cooperation agreement, the Innovation Office shall initiate consideration of the termination of the University start-up status and shall submit to the Committee all material relating to the violation. On the recommendation of the Committee, the decision on the cancellation of the status of the University start-up company shall be made by the rector of the University or a person duly authorized by them.

34. When establishing a University spin-off or seeking to be qualified as a University start-up, its initiators shall submit to the Innovation Office a completed Initiative Form of an Innovative Company Seeking to Commercialize the R&D Outcomes Created at Vilnius University (hereinafter referred to as the Initiative Form) (Annex 3).

35. The Innovation Office, in agreement with the academic unit(s) whose employee(s) have completed the Initiative Form, shall conduct the evaluation procedures regarding the terms and conditions of commercialization of an industrial property object that the University holds property rights to and submit it to the Committee for further discussion.

36. The Committee assesses the information provided in the Initiative Form against the following criteria:

36.1. importance for the organization of university studies, scientific, artistic or cultural purposes;

36.2. commercial and social potential of the information provided in the Initiative Form;

36.3. potential business models and their sustainability;

36.4. If a University spin-off is established, the procedures established by the University Council shall be followed.

37. After the evaluation, the Committee shall make a respective recommendation to the rector of the University or a person duly authorized by them:

37.1. to grant (not grant) the status of a University start-up company to a start-up entity that is being or has already been established and to conclude (not enter into) a cooperation agreement between the University and a start-up company;
37.2. when a start-up company is established for the purpose of commercialization of scientific research outcomes and if the University’s experience and resources were used to produce the intellectual activity outcomes, the University shall additionally conclude an intellectual property licensing agreement;

38. The University shall make arrangements for the supervision and protection of intellectual property rights to the intellectual activity outcomes resulting from joint projects with business entities or other partners by concluding respective agreements with such persons.

CHAPTER V
DISTRIBUTION OF REVENUE

39. The proceeds from the commercialization of an industrial property shall be shared between the University and the inventor, who is an employee of the University or any other person referred to in Paragraph 3 of the Procedures.

40. The revenue received by the University from the commercialization of an industrial property object, minus the expenses related to the protection of the industrial property object, including, but not limited to, the general University expenses the amount and distribution of which are specified in the procedure providing for the budget structure and budgeting of Vilnius University as approved by the University Council, shall be distributed between the inventor and the University in accordance with Paragraphs 41-44 of the Procedures.

41. When an industrial property object is commercialized, the University pays the inventor a portion of the proceeds received by the University as the holder of industrial property rights to the object of industrial property. The revenue shall be distributed between the University and the inventor(s) of an industrial property object based on the author’s honorarium agreement signed between the University and the inventor(s). This agreement shall be concluded no later than half a year after the issue of the registration certificate for the industrial property object or within one year after the industrial property object was put into use. If an invention or a design, as the case may be, was put into use before a respective patent or design registration certificate was granted, and in the case of other industrial property objects or know-how, this shall be done within six months as of the signing of the licensing or sales agreement. The Parties shall be free to agree on the amount, payment and calculation of remuneration in accordance with the laws of the Republic of Lithuania.

42. The inventor(s) is given at least 40 percent and no more than 70 percent of the revenue received by the University from the commercialization of a respective industrial property object, less the deductions made pursuant to Paragraph 40 of the Procedures. The University may receive revenue from commercialization:

42.1. in the form of a lump-sum (s). In this case, the percentage of revenue that goes to the inventor(s) shall be determined as follows:

<table>
<thead>
<tr>
<th>The share of the amount (EUR) received after the deductions provided for in Paragraph 40</th>
<th>Percentage of revenue received by the inventor(s)</th>
</tr>
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<tbody>
<tr>
<td>Up to 100,000</td>
<td>70</td>
</tr>
<tr>
<td>100,001–200,000</td>
<td>60</td>
</tr>
<tr>
<td>200,001–300,001</td>
<td>50</td>
</tr>
<tr>
<td>Over 300,001</td>
<td>40</td>
</tr>
</tbody>
</table>

42.1.1. The amount of generated revenue shall be shared within the ranges set out in Subparagraph 42.1, and the size of the author’s honorarium that falls under each of the lump sums (ranges) shall be calculated separately.

42.1.2. For proceeds up to EUR 100,000, the inventor's share in the form of the author’s honorarium shall amount to 70%, for amounts between EUR 100,001 and EUR 200,000 – 60%, for amounts between EUR 200,001 and EUR 300,000 – 50%, for amounts in excess of EUR 300,000 – 40%.

42.1.3. The method of calculating revenue set forth in Subparagraphs 42.1.1 and 42.1.2 also applies in cases where the University receives a fixed amount in instalments (e.g. once a calendar
year where such payments are made within the agreed period of time or at other intervals defined in the licensing agreement)

42.2. in the form of an agreed percentage resulting from the assignment (transfer) of property rights for a fee, licensing, sublicensing and other commercial uses provided for in the licence agreement. In this case, the inventor(s) receives a 50% share of revenue from each amount received under the contract, after the deduction of the costs referred to in Paragraph 40 of the Procedures.

43. After deductions made in accordance with Paragraphs 40 and 42 of the Procedures, the remainder of the revenue shall be assigned to the University’s academic unit(s) where the intellectual activity outcomes were developed. The revenue share of the University's academic units is calculated in proportion to the contribution of their inventors to the creation of a respective industrial property object.

44. According to the Procedures, the author’s honorarium shall be paid also in cases where the employment contract or job description of the University employee provides for the creation of industrial property objects or they have been or are being paid a bonus or a premium for it.

45. The received revenue shall be distributed between the University and other legal and/or natural persons, who are not employees of the University, students and persons participating in other activities of the University related to intellectual activity outcomes in accordance with the agreements concluded with third persons and by taking into consideration the agreed terms, conditions and order of payment.

CHAPTER VI
INNOVATIONS FUND

46. The Fund comprises part of the University’s budget approved by the University Council and meant for:

46.1. payment of fees for the patenting, registration and issuance of documents relating to industrial property objects created by the University’s staff and other persons involved in activities of the University related to creation of intellectual activity outcomes (filing, publication, expert examination procedures, and registration of a patent, design, trademark or topography application, grant of a patent or certificate, and renewal fees for the fourth year of the patent or certificate of registration), including the students;

46.2. University’s investment in the incorporation of University spin-offs.

47. The share of the Fund’s resources meant for patenting, registration and documentation of industrial property objects shall be allocated to various scientific areas under set quotas. The Committee shall record in its minutes the indicative breakdown of the quotas for each scientific area for each calendar year on the basis of the data available for the preceding calendar year. Quotas may, if necessary, be revised with the consent of the majority of the members of the Committee. The allocation of the Fund’s resources is administered by the Innovation Office.

48. The accounting of the Fund’s resources is performed by the Finance Department.

49. The University’s Vice-Rector for research and the Committee are responsible for the distribution and use of the Fund's resources.

50. The Committee, together with the Innovation Office, reports annually to the rector of the University on the use of the Fund’s resources.

51. Beneficiaries of the Fund must ensure the originality of the intellectual activity outcomes that are being created, avoid public and private conflicts of interest in the process of creation of intellectual activity outcomes and commercialization of industrial property, and secure the rights of the University as the owner of intellectual activity outcomes in accordance with the University Intellectual Property Management Regulations and these Procedures.

52. In the event of plagiarism and/or other violation of interests of any third parties, the authors of intellectual activity outcomes who commit violations shall be held liable in accordance with the University’s legislation and the laws of the Republic of Lithuania, and shall indemnify the University for the resulting loss.
CHAPTER VII
OWNERSHIP OF AND RIGHT TO USE THE MATERIAL SUBSTANCE

53. The material substance relating to the intellectual property rights of the University (i.e., created as or used for the purpose of creating intellectual activity outcomes developed by the University) shall be the property of the University. A material substance may be generated through the use of the University’s resources in R&D activities (projects) or otherwise collected through the University’s activities.

54. The University may transfer the material substance to third parties in accordance with the laws of the Republic of Lithuania and the following conditions:

54.1. a respective transfer agreement shall be concluded for the purpose of transferring the material substance to third parties;

54.2. to the extent possible, part of the material substance must remain at the University to prevent the loss of the material substance;

54.3. the recipient of the material substance may not transfer it to any other person without a written agreement of the University.
1. NAME OF THE INVENTION, ABBREVIATION (ACRONYME) (if applicable)

2. INVENTOR INFORMATION (please list all inventors and fill in the blank fields)

   2.1. The main inventor
   Name and surname
   Workplace, position
   Tel. no., email
   Contribution (%) of the inventor to the invention

   2.2. Another inventor
   Name and surname
   Workplace, position
   Tel. no., email
   Contribution (%) of the inventor to the invention

   2.3. Please indicate (yes/no) whether Vilnius University is the sole owner of the invention

   2.4. If Vilnius University is not the sole owner of the invention, please indicate the other owner(s) of the invention: name of the institution or name and surname of the person and contact details

   2.5. I/We hereby confirm that the rights of third parties have not been infringed during the development of the invention

3. DETAILS OF INVENTION

   3.1. The invention was created (tick as appropriate):

   3.1.1. when performing official duties or functions as defined in employment contracts, job descriptions, unit regulations, other legislation of Vilnius University

            Yes / No
| 3.1.2. as a result of being commissioned by a business entity (specify customer, contract manager, contract number) |
| 3.1.3. during the implementation of a project (please specify the nature of the project, project No. and manager) |
| 3.1.4. other (please specify) |
| 3.2. Keywords (3-10) to search for information about the invention |
| 3.3. Brief description (please provide technical information on the invention, the problem solved by the present invention, and the main use(s) of the invention) |
| 3.4. Tangible property related to the invention used at the time the invention was made (engineering drawings, prototypes, equipment, chemical or biological materials, etc.) |
| 3.5. Novelty of the invention (please describe in detail the task for which the invention is intended, and state the essential features of the invention and the technical result expected from the implementation of the invention) |
| 3.6. Lithuanian and foreign patents describing the closest analogues of the invention (indicate No., title and essence) |
| 3.7. Publications related to the invention (if any) (please indicate the title, date and edition of each publication) |
| 3.8. Publications for publicity purposes (if you intend to do publicity and if it has not been done yet) (please specify the date) |
| 3.9. Oral disclosure of information about the invention (at conferences, seminars, etc.) (please indicate if any part of the invention has been made public) |
| 3.10. Fields of application of the invention (indicate which area is given priority), including methods |
| 3.11. Potential users of the invention (list potential buyers and users) |
| 3.12. Sources of funding (governmental, non-governmental institutions, industrial companies, agencies, foundations, etc., that financed the invention) (list all clients or sponsors, contract No., budget line (topic), project name, and code) |
| 3.13. Non-financial sources used to create the invention (e.g. materials or equipment from ...) |
other universities or companies under a loan for use agreement, etc.

<table>
<thead>
<tr>
<th>3.14. Other contracts (other than those mentioned in Subparagraph 3.12) and agreements related to the present invention (please specify other parties to the contract, contract number, define the nature of the agreement)</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>3.15. Proposed method of protection of the invention (e.g. patenting by indicating parties to it, protection applicable to commercial secrets, etc.)</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>3.16. Proposed strategies for developing the invention (e.g. licensing, transferring property rights to an invention, etc.)</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>3.17. Funds to be used to cover the patenting procedure of the invention and patent renewal fees (if known)</th>
</tr>
</thead>
</table>

<table>
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<tr>
<th>3.18. Documents attached to the report (if any)</th>
</tr>
</thead>
</table>

4. **PERSONS WHO DISCLOSED INFORMATION ABOUT THE NEW INVENTION**
I hereby undertake to keep the information on this invention confidential *(to be completed by the inventors of Vilnius University)*:

<table>
<thead>
<tr>
<th>Unit</th>
<th>Position</th>
<th>Signature</th>
<th>Name and surname</th>
<th>Date</th>
</tr>
</thead>
</table>

5. **PERSONS RECEIVING INFORMATION ON THE INVENTION**
I hereby undertake to keep the information on this invention confidential *(to be completed by the inventor's unit manager (s))*:

<table>
<thead>
<tr>
<th>Position</th>
<th>Signature</th>
<th>Name and surname</th>
<th>Date</th>
</tr>
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</table>

6. **DECISION OF THE RECTOR OR A PERSON DULY AUTHORIZED BY THEM**
*(e.g. the University will exercise (refuse to exercise) its right to the patent, etc.)*

<table>
<thead>
<tr>
<th>Position</th>
<th>Signature</th>
<th>Name and surname</th>
<th>Date</th>
</tr>
</thead>
</table>
VILNIUS UNIVERSITY

APPLICATION FOR ACCOUNTING AND PROTECTION OF AN INDUSTRIAL PROPERTY OBJECT OF VILNIUS UNIVERSITY

.../.../20... No.
Vilnius

1. NAME OF THE INVENTION, ABBREVIATION (ACRONYME)

INFORMATION ON INVENTORS (please list all inventors by name, surname, academic unit of Vilnius University or organization (legal form, name, code, etc.), position, and contribution (%) to the invention)

2. DETAILS OF INVENTION

Selected nature of protection of the invention (e.g. patenting (with the indication of parties), protection applicable to commercial secrets, etc.)

Sources of funding the protection and commercialization of the invention and funds allocated by them (e.g. academic unit and type of its funds, (non)governmental organizations, companies, agencies, foundations, projects, etc.)

Principles of sharing the revenue resulting from the commercialization of the invention (please indicate the revenue share allocated to the University, the academic unit(s) and the author(s) (total sum: 100%))

Possible next steps in the process of protecting the invention and commercializing it (e.g. development of invention protection, signing licensing agreements, or other commercialization steps)

Other relevant information

4. I HAVE FAMILIARIZED MYSELF with AND AGREE with the content of the application and hereby undertake to keep the information on this invention confidential:

<table>
<thead>
<tr>
<th>Academic unit</th>
<th>Position</th>
<th>Signature</th>
<th>Name and surname</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Inventors of Vilnius University</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Heads of academic units</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Vice-rector for research</td>
<td></td>
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</tr>
</tbody>
</table>
Procedures for Implementing
the Intellectual Property Management
Regulations of Vilnius University
in Industrial Property Management
Annex 3

(Initiative Form of an Innovative Company Seeking to Commercialize R&D Outcomes Created at Vilnius University)

INITIATIVE FORM OF AN INNOVATIVE COMPANY SEEKING TO COMMERCIALIZE R&D OUTCOMES CREATED AT VILNIUS UNIVERSITY

.../20....
Vilnius

<table>
<thead>
<tr>
<th>Question</th>
<th>Answer</th>
</tr>
</thead>
<tbody>
<tr>
<td>Which members of Vilnius University community are presenting the initiative?</td>
<td>List all members of Vilnius University community (name, surname, unit they represent (if any), status (student, employee, alumni)) who intend to become or are already shareholders or stakeholders in the company or plan to make any other contribution to the establishment of the company.</td>
</tr>
<tr>
<td>What third parties will be involved or are involved in the establishment or operation of the company?</td>
<td>List all third parties (natural and legal persons) who intend to be shareholders or stakeholders in the company, to grant loans, transfer assets to enable the company’s operations, or have made other obligations to otherwise assist in further development of the company’s operations after its incorporation. If a company is already incorporated, please provide data about its current situation.</td>
</tr>
<tr>
<td>What is the legal form of the company or what legal form will be chosen for the company which is being incorporated?</td>
<td>Please specify the legal form of the legal entity that is being incorporated in accordance with the Civil Code of the Republic of Lithuania.</td>
</tr>
<tr>
<td>Based on what outcomes, experience or intellectual property of Vilnius University is the company being incorporated or already operating? Which members of Vilnius University community are the authors of the indicated outcomes, intellectual property, or have contributed to the acquisition of the experience?</td>
<td>Please specify (in about 100 words) the inventions, patents obtained, projects completed or underway, contracts, know-how, experience, other results which will be (are) the basis of the company's operations.</td>
</tr>
<tr>
<td>What public problem will the company and its products or services address?</td>
<td>Please describe in about 100 words.</td>
</tr>
<tr>
<td>What will the company's main products and services be or what they are?</td>
<td>Please describe in about 100 words.</td>
</tr>
<tr>
<td>What development goals have been set for the company?</td>
<td>Please describe briefly the short- and long-term economic, social, and cultural goals of the persons incorporating the company.</td>
</tr>
<tr>
<td>Question</td>
<td>Response</td>
</tr>
<tr>
<td>-------------------------------------------------------------------------</td>
<td>--------------------------------------------------------------------------</td>
</tr>
<tr>
<td>What are the reasons for incorporating a company? (to be completed only in case of companies incorporated less than one year ago)</td>
<td>Please describe briefly (in about 50 words) the motivation of the initiators, the demand that exists on the market, the existing investors, the possibilities of external funding, etc.</td>
</tr>
<tr>
<td>What will be or are the target users, customers of the company's products or services?</td>
<td>Please specify (in about 50 words) who the company's products and services are meant for, who will be (are) its customers.</td>
</tr>
<tr>
<td>What is the competitive environment of the company and what is the main competitive advantage of the company?</td>
<td>Please specify competitors and describe similar or competing solutions that already exist in the market (in less than 100 words).</td>
</tr>
<tr>
<td>What will (or is) the business model of the company be like?</td>
<td>Please briefly describe (in less than 100 words) the business model chosen by the company, explain how the company will generate (is generating) cash flows, how products or services will reach or are reaching consumers.</td>
</tr>
<tr>
<td>Is investment being sought from Vilnius University? If so, please specify the reasons and the amount of investment requested from the University.</td>
<td>Please describe briefly (in less than 100 words) why it is appropriate for Vilnius University to participate (become a shareholder or a stakeholder) in the legal entity being incorporated, and what socio-economic benefits the University would gain from participating directly in the activities of the company. Please specify the amount proposed for the University to invest and the corresponding share of the University as an interest holder or shareholder.</td>
</tr>
<tr>
<td>Contact details</td>
<td>Please specify the contact details of the person responsible for incorporating the company. If the company is already incorporated, please indicate the contact details of the director of the company.</td>
</tr>
</tbody>
</table>

______________________  _______________  ____________________
(position)  (signature)  (Name and surname)