

Regulations governing management of intellectual property at Nord University

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Section 1 Introduction

Issued by the Board of Nord University on May 4 2017, replacing previously policies and guidelines relating to management of intellectual property adopted by the institutions University of Nordland (UiN), Nord-Trøndelag University College (HiNT) and Nesna University College (HiNe), respectively:

- UiN: Policy relating to the management of intellectual property (IPR-policy), issued June 9 2010
- HiNT: Intellectual property – policy document for HiNT, issued February 17 2009
- HiNe: Guidelines relating to the management of intellectual property, issued February 2 2010

These regulations are pursuant to the Act relating to employee inventions (hereafter referred to as the Employees' Inventions Acts), Copyright Act and employer's statutory management rights.

The regulations, adopted by decision of the University Board, apply to all employees of Nord University.

This English translation of *Reglement for håndtering av immaterielle rettigheter ved Nord universitet* is intended for information purposes only. The original Norwegian document is the authoritative version for all legal purposes. Should a dispute arise regarding the interpretation of provisions in the two versions, the Norwegian version shall prevail.

Section 1.1 Background

The university's main missions are to conduct research, deliver education and disseminate knowledge. This implies that knowledge, intellectual property and research results from the university are disclosed to the public and used by the community as well as in business and industry. Through the Act relating to the universities and university colleges (hereafter referred to as the Universities and University Colleges Act) and the Employees' Inventions Act, government have made it clear that universities' mission also includes facilitating commercial use of research results.

Knowledge constitutes the greater part of the university's factor inputs and results. In the first instance, knowledge is free, but aspects of produced knowledge may be protected as intellectual property. Intellectual property rights may be decisive for the use of knowledge in teaching, research or for any commercial or public objectives.

Nord University requires therefore regulations governing the management of intellectual property.

Section 1.2 Purpose

The purpose of these regulations is to ensure the correct management of intellectual property related to research and work results, produced by employees of Nord University. Hereunder, to clarify which results of

employees' activities may be subject to intellectual property rights, in which cases the university should or shall acquire such rights, and how to manage these rights subsequently.

These regulations shall contribute to the following:

- ensuring appropriate management of intellectual property and to creating an unambiguous and predictable framework for employers, employees and external partners.
- ensuring that Nord University is an attractive place of work, study and collaboration for employees, students and external partners respectively.
- assuring the academic freedom of researchers and the institution.
- ensuring that the value represented by research results is managed, protected and made available for effective and advantageous use within academia, the community and business and industry.

Section 2 Scope of application to results

The regulations apply to all research and work results produced in connection with an employee's engagement at the university. Even though the regulations apply to all research and work results, it is not the case that the university will assume the intellectual property rights to all results.

Research and work results may be classified in the following groups (the list is not exhaustive):

- Patentable inventions
- Non-patentable technology and other solutions, principles, know-how, including e.g. trade secrets, technical, scientific and mercantile information, and business concepts, hereafter referred to as "non-patentable technology"
- Computer programmes
- Catalogues and databases (production of different systematized collections of information or data)
- Physical material – each and every material product (organic, non-organic and biological material), including substances, organisms, crops and materials.
- Academic works (such as monographs, textbooks, scientific articles and doctoral dissertations) and other literary and artistic works.
- Teaching and educational materials (such as oral lectures, presentations, tasks, instructional videos and digital teaching plans).
- Administrative works (such as reports, comments on consultative documents, course reading lists, teaching plans etc.)

Section 3 Scope of application to people

The regulations apply to all employees of Nord University (academic and technical-administrative employees). The regulations also apply to doctoral fellows and individuals employed on a temporary basis.

Section 3.1 Several employers

If an employee has several employers, the employers must reach an agreement about apportionment of rights.

Any rights regarding the commercial exploitation of results should accrue to the primary employer when no other position comprises a research component of significant scope. Where another position does comprise a research component of significant scope, the rights should accrue to the institution responsible for the greatest proportion of the invention, or any institution according to prior agreement between the parties.

If the parties have not entered into any such agreement prior to emergence of results, and the circumstances imply joint ownership of the results, the parties shall enter into an agreement regarding commercialization and, if relevant, transfer of rights to a specific party in exchange for compensation.

If an employee is employed by another government entity or research institution, the basic principle applies that economic responsibility and rights to any gain accrue to the employer where the employee's position comprises a research component. If both employment relationships comprise research components, the parties shall agree to apportionment of rights. In most cases, fair apportionment will correspond to the position percentage, but may include adjustments based on an assessment of the employers' relative contributions.

Inventions created by employees of Nord University at or in the course of work for private employers must be reported to Nord University. If any part of an invention is produced during the employee's working hours, on university property or using the university's resources, Nord University will have a claim to partial ownership of the results. Nord University can withhold its claim only if the employee has notified Nord University, pursuant to the applicable regulations, of the working or contract relationship and of the creation of the invention. In addition, it must be documented that the work, costs and development have, in their entirety, occurred within the realm of the external employer and external to Nord University.

Section 3.2 Students

Students own any results that they produce during the course of their studies or any period of study spent at the university, unless otherwise agreed. The university may acquire the commercial rights to a student's results, if the student so wishes and the university, following an assessment of the results' commercial value,

finds such an arrangement advantageous. In the case of voluntary acquisition of commercial rights, the apportionment of rights shall be regulated by specific agreement between the student and the university.

Certain bachelor and master projects expend significant resources, in the form of expensive equipment supplied by the university. In most cases, students conducting such bachelor or master projects will not be required to resign the rights to their own work. Where a project entails significant cost to the university, for example a project that demands acquisition or rental of special equipment, the university may require the student to consent to transfer of certain rights to the university relating to future commercial exploitation of any results. The foregoing provision requires that completion of a less expensive project is an available alternative.

The university may acquire employees' shares of rights to results jointly produced by one or more students and one or more employees (co-ownership), pursuant to applicable legislation, any prior agreements and these regulations.

Students that are employed at the university, for example in project positions or as research assistants, are defined as employees in relation to results that are produced in the course of work carried out as part of their employment.

Section 3.3 PhD candidates

The terms relating to the intellectual property rights of PhD candidates are regulated by separate agreement upon admission to the PhD programme at Nord University.

Copyright to the PhD thesis is subject to the Copyright Act. If the candidate is the sole author of the PhD thesis, the candidate holds sole copyright to the work. If the PhD thesis is comprised of a collection of articles and a summary, the candidate alone holds the copyright to those parts that are the result of the candidate's independent, creative efforts. Articles and other contributions that are written by several authors, where it is not possible to identify individual contributions, are defined as joint work. In the case of such articles, the authors hold copyright jointly.

Nord University may, without limitation, reproduce and use the parts of the doctoral thesis to which the candidate is the sole copyright holder, as well as other scientific literature produced as a result of work on the thesis to which the PhD candidate is the sole copyright holder, in teaching and research activities at Nord University.

A PhD candidate is a person who is employed at the university as a doctoral fellow for the purposes of writing a doctoral thesis. A PhD candidate may also be a person who is employed at another institution or someone who is not permanently employed.

Nord University may demand the whole or partial transfer of commercial rights to inventions produced by PhD candidates employed by Nord University, in accordance with the Employees' Inventions Act. PhD

candidates are under the same obligation to notify Nord University of inventions/results as other employees of the institution. This provision is further explained in section 4.

Nord University may demand the whole or partial transfer of commercial rights to inventions produced by candidates who are neither employees of Nord University nor of any external party, in accordance with the Employees' Inventions Act. Such candidates are under the same obligation to notify as are employees of the institution. This provision is further explained in section 4.

Where a PhD candidate is employed by an external party, the commercial rights to inventions, including the obligation to notify, shall be regulated by a separate agreement between the relevant faculty at Nord University, the PhD candidate and the external employer (part C of the Admissions Agreement).

Pursuant to the Universities and University Colleges Act section 1, sub-section 5 (6), the candidate has the right to publish his/her research results or scientific or artistic development work. The right to publish also applies to the candidate's supervisor, if an invention is produced jointly, and the rights of the candidate or any third party do not prevent publication by the supervisor.

The publication of a doctoral thesis may not be restricted in any way, unless by prior agreement concerning delayed publication.

Nord University shall be credited upon publication or announcement of the doctoral thesis if the university has made a necessary and significant contribution to, or has provided the foundation for the candidate's contribution to, the published work. The same applies to external parties, if a party has provided a necessary and significant contribution. If the candidate is employed at Nord University during the conduct of research, the university is considered to have made a necessary and significant contribution. The Universities and University Colleges Council's guidelines for attribution of contributions to scientific publications otherwise apply. Any deviation from obligation to attribute credit must accord to the stated guidelines.

Section 4 Further provisions relating to the management of rights to different types of results

Section 4.1 Basis for assessment

In general, the creator of a research or work result holds the rights to the result, unless other stated in law, agreement or in these regulations.

The applicable legislation defines the cases in which a university, as an employer, has the right to research and work results. In cases where the university holds these rights, it shall ensure that these results are used for the benefit of society. Such use may be through use in teaching and research, for commercial gain, or by making the results available to the public, where possible.

In accordance with the Employees' Inventions Act, Nord University may acquire patentable inventions. Teaching and academic staff still have the right to publish the invention, unless otherwise agreed or unless prevented from doing so by the rights of a third party.

In accordance with the Copyright Act, Nord University holds the rights to catalogues, databases etc., that the university has invested in the development of, as well as to computer programmes produced by employees during the conduct of tasks that fall within the scope of their employment or which are carried out upon instruction from the employer.

For other results than those stated above, it is generally accepted that the employee owns the work results. This may concern, for example, articles or books that the author holds the rights to in accordance with the Copyright Act. For teaching materials, it is generally accepted that the employee holds the rights to teaching materials that demonstrate a clear, individual character. The rights of the employee in these cases shall be regulated by agreement. Both the Employees' Inventions Act and the Copyright Act may be supplemented by agreements in certain cases.

The standard terms and conditions of agreement for the Research Council of Norway and EU-funded projects state that all research results, including the rights connected to these, shall be the property of the university.

Section 4.2 Patentable inventions

A patentable invention is an invention with industrial application, which is new in the context of known innovations prior to the grant of the patent, and which is significantly different from known technology (constitutes an inventive step), cf. Patents Act. This can be any form for invention, e.g.:

1. Product/substance patent (new product or substance),
2. Usage patent (new use of known product or substance), or

3. Process patent (e.g. new method for manufacturing a known substance).

As an employer and pursuant to the Employees' Inventions Act, Nord University acquire patentable inventions within the university's areas of operations to the institution. Employees are required to provide written notification of patentable inventions (cf. Employees' Inventions Act section 5). Notification shall be given in the form of a DOFI (Disclosure of invention).

Inventions may only be patented if the patent application is submitted before the invention is disclosed or made available to others. As such, an employee shall not disclose an invention to others, either orally or in writing, before the university has determined their right to acquire the invention and, in the case that the university holds a claim, only after the patent application is submitted. It is imperative that an invention is not disclosed prior to submission of the patent application, as this will invalidate the patent application.

After the patent application is submitted, the employee is free to publish the invention, for example in the form of a lecture or as part of an academic publication.

Section 4.3 Non-patentable technology

Non-patentable technology is defined as non-patentable inventions and other solutions, principles, knowhow, including but not limited to: trade secrets, technical, scientific or mercantile information, and business concepts.

Employees are also required to notify the university about production of non-patentable technology. Notification shall be given by DOFI. Questions concerning acquisition and management of non-patentable results are subject to individual assessment.

Section 4.4 Computer programmes

The university may acquire computer programmes developed by employees in the course of tasks encompassed by their employment or carried out according to the university's instructions (cf. Copyright Act section 39(g)). Employees are required to notify the employer of the production of any computer programmes that have commercial potential, or that are connected to inventions or other technical solutions, products or processes.

If the computer programme is an invention that can be patented, it is imperative that the programme is not published prior to submission and registration of the patent application. Publication prior to this point will invalidate any patent application. The researcher determines whether to publish or patent the research results (cf. Employees' Inventions Act section 6). A researcher who has developed software in the course of work and who wishes to make the software public as "open source" is free to do so.

If the university acquires an invention or knowhow that can only be implemented with the assistance of a computer programme, the copyright to the computer programme (source code) should also be transferred to the university, to the extent that the programme is necessary for the use of the invention or knowhow.

Section 4.5 Catalogues and databases

The university may claim catalogues and databases that have been produced through significant investment by the university (cf. Copyright Act section 43). This means the sole right to use of the catalogue or database in the form of copying, archiving, changing, publication or commercialization. The practice of the university's sole right to use of the catalogue or database shall not conflict with principles concerning academic freedom, or restrict the catalogue or database from being made public or otherwise put to use in research.

In other cases, sole rights to use generally accrue to the employee who developed the catalogue or database, unless:

- The university has specifically instructed the employee to produce the catalogue or database.
- The university has entered into an agreement with a third party concerning provision.
- Otherwise agreed.

Databases can be constructed in a way that grants third parties the right to claim parts of the content of a database. To ensure that the university can use a database for commercial purposes it is important that the university clarifies rights to use such parts of the database through agreements with employees and any third parties prior to commencement of the project.

An employee who sees commercial potential in a database, and who is considering commercial exploitation of a database, or who has taken steps toward commercialization, shall notify the employer. In cases where the university does not wish to pursue commercial exploitation of the database, the university will consider transferring its rights to others.

Section 4.6 Physical material

Physical material that has been produced using the university's resources is the property of the university. The university may use such physical material in teaching and research, and for commercial purposes. The foregoing does not apply if the university's claim is limited by agreement with a third party or the rights of other parties.

An employee who is considering commercial exploitation of physical objects, or who has taken steps toward commercialization, shall notify the university using a DOFI.

The party who produced the material has the right to lifelong access to and use of the material, and holds the right to share the material with others (including external parties), under the following conditions:

- Some of the material must remain at the university, ie. The source shall not be depleted.
- The recipient shall not transfer the material to a third party without the university's consent.
- Physical objects may only be shared with others for the purposes of research. Sharing for commercial purposes shall only occur by specific agreement.
- That the recipient submits a signed agreement concerning use of the material (university's template for Material Transfer Agreement) prior to delivery of the material.

Section 4.7 Academic works

In general, all rights to academic works (monographs, textbooks, scientific articles and doctoral theses), other literary and artistic works belong to the/those employee/s who produced the work. This includes the right to determine use of the intellectual property (copying, archiving, changing and publication), as well as the commercial exploitation of the intellectual property.

In certain extenuating circumstances, the university may obtain non-exclusive, limited rights to use such property. This applies in particular when the university has used or is expending significant resources in the production of such works. Any question about whether the university may claim usage rights should be determined prior to production.

If a Nord University employee publishes an article in a non-Open Access, subscription-based journal, the employee should make the peer-reviewed version of the manuscript (post-print) available in Nord University's institutional archive.

Section 4.8 Teaching and dissemination materials

Rights to teaching and dissemination materials depend on whether the materials exhibit clear, individual character, or whether they are standardized.

Individual teaching material is defined as material that the employee has developed with the purpose of personally delivering it in courses or lectures, and where the material has a clear, individual character. Such materials can also include recordings (film and/or sound) of lectures.

Standardized teaching material is defined as teaching materials that are developed for use by any lecturer, and where there is no close connection to a particular lecturer's individual delivery.

Section 4.8.1 Individual teaching material

In general, all rights to individual teaching material belong to the employee. This means that the employee determines use (including but not limited to copying, archiving, changing and publication) of the material.

Lectures may not be recorded and made available on the university's website without the employee's prior written consent and then only on the basis of a written agreement between the university and the employee. The employee may demand that material is removed from the website. The university has developed a standard contract that regulates the relationship between the employee and the university with regard to the publication of recorded lectures on the website.

It is expected that teaching materials are made available online, and academic staff must abide by this to a certain extent. This means that an employee may be required to make personal teaching support material available online in a learning platform with restricted access, for use by students in connection with the completion of a course or lecture series. Personal teaching support material in this instance includes but is not limited to teaching support material with clear individual character, produced by the individual employee in accordance with their employment contract. The employee may demand that such material is removed from the online service once the course or lecture series has concluded. If teaching material contains third-party content, use of this content must be approved prior to publication or the third-party content must be removed prior to publication. The material shall not be used by other employees without the creator's consent. In accordance with the Copyright Act, section 3, the employee shall be cited by name when the material is used.

Section 4.8.2 Standardized teaching material

The employee's contractual teaching duties entail that the university holds unlimited, non-exclusive rights to use standardized teaching material developed by employees for teaching purposes. Standardized teaching material can include anything from a simple summary to complex digital teaching packages, the development of which requires significant additional resources.

Further, the university may have the right to use teaching and dissemination materials where:

- The university has contributed extraordinary resources to development of the material, either in the form of funding, technical assistance or by reducing teaching duties
- The university has specifically instructed the employee to develop the material
- The university has ordered specific teaching materials by agreement with a third party
- The university has obtained consent to use the materials, either by agreement with the creator or by other valid means.

In any of the above-mentioned cases, the university and employee shall enter into an agreement prior to commencement of the development project in order to determine the rights and obligations of the parties with specific reference to the teaching materials.

The employee retains their moral right to the work (right of attribution). The employee also has a right to use the materials. If an employee resigns, he/she will have the right to use the parts of the intellectual property to which he/she has contributed.

The university has the right to change standardized teaching material to the extent that changes are necessary in order to keep the material up to date, or to ensure that the rights of a third party. The employee shall be notified prior to the implementation of changes and can demand that his/her name is removed from the changed material.

Pursuant to the standard terms of employment at the university, the university may make standardized teaching material available for students in the context of teaching, in an online learning platform with restricted access. This provision also applies to material developed by persons who are no longer employees of the university.

Section 4.9 Administrative work

The university holds all rights to administrative work (including but not limited to analyses, comments on consultative papers, course literature suggestions and teaching plans).

Section 5 Agreements with external institutions

Any research collaboration between Nord University and an external institution shall be based on written agreement, which also regulates the rights of the parties. Agreements, budgets and expenses for collaboration are subject to circular F20-07 from the Ministry of Education and Research and BOA rules at Nord University.

Pursuant to the Universities and University Colleges Act, Nord University may not enter into agreements that permanently restrict public access to research results. However, in cases where secrecy is required in order to ensure a valid patent application or the like, the university may enter into an agreement that delays publication for a short period, until a patent application is registered, and otherwise pursuant to legislation concerning patents and priority date. The university also has an unrestricted obligation to ensure that research results are made available for further research at the institution, and to ensure that results can be used for the purposes of education.

Beyond the foregoing provisions, Nord University and the institution's collaborative partners may negotiate rights to and use of results. A general principle for such negotiations is that commercial rights shall reflect the financing model. In negotiations with external sponsors and financiers, the university shall do its utmost to protect and promote the interests of the wider community, as well as to ensure that the university and the individual creators have the greatest possible degree of freedom within the university's policy framework. In all cases, the parties shall uphold the principles of copyright legislation and accepted research ethics concerning transparency and public availability of research results.

To the extent that Nord's contribution is financed, directly or indirectly, by basic funding provided by Parliament, the university is obligated to ensure its stake in any research results, so that these may be used for the good of society. The equivalent applies to research financed through other forms of public funding.

In cases where researchers at Nord University conduct tasks that are fully financed by external sources (including work expenses, project expenses, costs related to infrastructure, as well as any surplus), it will be possible to enter into agreements by which the rights to research results are transferred to the contracting party. Any such transfer shall be limited to the concrete results that the work is expected to produce. The prohibition on permanent restriction of public access to results also applies to fully financed research, as does the obligation to ensure that results may be used in further research and teaching.

Section 5.1 Special provisions concerning research financed by the EU or Research Council of Norway

Standard terms and conditions for projects financed by the Research Council of Norway and the EU are more stringent than the applicable legislation, stating that project results, including the rights related to these, shall be transferred from the employee that has produced the results to the employer. In this case, the employer is Nord University.

The formulation of the EU's and Research Council's standard provisions entails ownership of results, both to patentable inventions and non-patentable technology, other research results and intellectual property in general. This does not mean that the creator of the intellectual property is bound by agreement to an external third party, but it demands that Nord University as an institution upholds the provisions of EU and Research Council agreements in its own dealings with employees.

Section 6 Provisions concerning commercialization of research and work results

Section 6.1 Obligation to notify

The overview of rights to results presented above states that the employee is obligated to notify the employer in cases where results constitute or may be used in an invention, where a work result has commercial potential, if the employee is considering commercial exploitation of results, or if the employee is planning to take steps toward commercialization. This applies to work results in the form of:

- patentable inventions
- non-patentable technology
- computer programmes
- catalogues and databases
- physical material.

The employee must use a DOFI – Disclosure of Invention – to notify the employer. The employee sends the DOFI to Nord innovasjon AS, which is the university's commercialization unit (Technology Transfer Office – TTO). The TTO manages notifications on behalf of the university. Employees are encouraged to contact the TTO as early as possible in order to clarify the basis for submission of a DOFI and for assistance with completion of the DOFI. Notification is considered submitted when the DOFI is complete and Nord innovasjon AS has confirmed receipt.

Section 6.2 Publication

In order to obtain a patent, an invention cannot be published before the university has submitted the patent application. This entails delaying publication until the patent application is submitted and a priority date is given, in order to safeguard the invention and, if relevant, to negotiate with possible users of the invention.

Nevertheless, commercialization shall not come into conflict with principles of academic freedom. As such, the employee is free to prioritize publication and to choose to make the results publically available, even if this obstructs commercialization. In this case, the employee is still obligated to notify the university in a DOFI, in which they must also inform the university of any plans for publication. Publication must not violate the rights of third parties.

If the employee does not notify the university of plans for publication in the DOFI, then he/she may not, without the prior consent of the employer, publish the results or rights before four (4) months have passed from the point at which the employer received written notification (DOFI). In the course of these four (4) months, the employee may not take any actions that would otherwise jeopardize the employer's chances of using the results or rights.

The employer shall strive to reduce delays in publication. The employer shall strive to provide timely notice to the employee about whether the institution plans to use the results or rights. If, within four (4) months of receipt of the DOFI, the employer has not provided the employee with written notice concerning legal protection of the results or rights in public registers, the employee is free to publish the results, unless this is in conflict with obligations to a third party or other obligations to the employer.

Section 6.3 Commercialization process

Nord innovasjon AS is Nord University's instrument for commercialization. This role includes, e.g:

- Receipt, quality assurance, registration and confirmation of DOFI
- Assessment of commercial potential, choice of strategy for legal protection of rights, conduct of rights protection processes where expedient
- Notice, within four (4) months, to the creator about formation of any project to use rights on the basis of a submitted DOFI
- Conduct of commercialization, including negotiating, entering into and managing agreements with third parties based on the university's claim.

The employee is obligated to contribute to both the rights protection phase and to the commercialization process, including contributing additional information about the idea (e.g. technology, areas of application and possible interested parties) and sign any documents required in connection with patenting and registration. The employee also has the right to participate in the commercialization process, the right to be kept informed about the process and the actions of the employer.

If Nord University does not use a work result or pursue commercialization within the given deadline, the employee may use the result subject to agreement with the university. In this case, Nord will not publish or make the result public in any other way that jeopardizes the employee's chances of assessing whether there are users interested in utilizing the results in return for consideration paid to the employee.

Section 6.4 Consideration

The employee has a right to a reasonable share of the net income from commercialization. The net income is defined as income after expenses related to the commercialization process are deducted, including costs related to legal protection of rights.

Section 6.4.1 Division of income according to the third party principle

The general rule for division of net income is one third to the employee, one third to Nord innovasjon AS and one third to the university. The university's third is further divided; 50 percent to the faculty in the form of

financing for strategic development, and 50 percent to the institution for the purpose of innovation and legal protection of intellectual property rights.

The employee has a right to inspect the basis for calculation of consideration.

In certain cases, the parties may agree to a different division of income, for example in cases where the TTO is co-owner of a company founded on a work result, or in cases where rights are acquired by another legal entity and the employee has received agreed compensation by other means. Unless otherwise agreed, division of income shall adhere to the thirds model as described above.

Section 6.4.2 Principles for division of income from shares

Companies can be established on the basis of an invention or research result with commercial potential. In these cases, Nord innovasjon AS negotiates the monetary value of the technology with the creator on behalf of Nord University, according to weighting of other investment in the company, Nord innovasjon's contribution, and the founder's contribution following development of the invention, etc. The monetary value of the technology provides the basis for establishment of any business enterprise and is reflected in shares.

Division of shares is determined according to pricing of the different elements covered by negotiations. Shares that constitute payment for acquisition of the patent/s or the actual invention/technology shall be divided according to the same principle that applies to cash, subject to special agreement for each project. Shares earmarked for the employee will be transported directly to the employee. Nord innovasjon manages Nord University's shares until exit, at which time the faculty and institution will receive payment.

Section 6.4.3 Other circumstances

Payment to employees and research funding is effectuated according to an annual calculation. If commercialization occurs by establishment of a limited company as the license holder, payment of dividends may only occur after sale of shares (exit) and/or after disbursement of profits.

If Nord University holds a claim to an invention, but has not acquired the invention, or has returned commercial rights to the creator, the university may claim fifteen (15) percent of net income if the invention generates income.

If the creator/employee neglects his/her obligations to notify Nord University of a result, and exploits the work result independently or through others, Nord University will have a claim to two-thirds of net income created directly or indirectly through commercial exploitation of the result.

Section 6.5 Return of rights

Nord University shall offer to return rights to the creator in cases where Nord University, having acquired an invention or other result pursuant to law or agreement, decides:

- Not to pursue a patent, or
- Not find or is not able to find commercial basis for pursuing a project.

In this case, the parties shall enter into a standard agreement, which regulates their relationship. If the invention is commercialized at a later date, 15 percent of net income received by the creator as his/her share will normally accrue to Nord University.

The creator undertakes to comply with any obligations that Nord University has to external third parties who financed research that led to the development of the invention.

Nord University retains unlimited rights to use the invention or result for teaching and research purposes at the institution, as well as the right to transfer licenses for use to other non-commercial partners/institutions. Specific issues arise where an employee has entered into a publication agreement, by which his/her rights are partially or fully transferred to a publisher or other copyright holder. In such cases, these issues shall be regulated by special agreement.

If the employee does not wish to acquire rights in the cases described above, Nord University may decide to relinquish its rights, by which the university's obligations relating to commercialization of the results will cease.

Section 7 Dispute over rights or division of income

Any dispute or disagreement that arises between an employee and Nord University about ownership of rights or division of net income from commercialization of research results should be reported to the Research and Development Division. The division will give each party the opportunity to explain their view of the case. On the basis of submissions from the parties, the Research and Development Division will seek to reach an acceptable settlement. If the parties do not reach an agreement, one of the parties may demand that the case is brought before the IPR Committee.

Circumstances that relate to the Employees' Inventions Act may, if they are not resolved by the parties, be brought before the Mediation Board for Employee Inventions pursuant to Section 12 of the Act.

All disputes concerning rights and division of income may be brought before the courts.