

The Hong Kong Baptist University
Policy on Intellectual Property Management

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1. INTRODUCTION

- 1.1 **Commitment.** Hong Kong Baptist University ("**University**") is committed to education, research and technology transfer and recognises the importance of protecting intellectual property for the benefit of the University, creators, community and partners.
- 1.2 **Purpose.** This Policy on Intellectual Property ("**Policy**") has been prepared by the Knowledge Transfer Office of the University ("**Knowledge Transfer Office**") to provide a summary of the policies, laws and procedures in place and followed by the University with regard to intellectual property matters. The guidelines set forth in this Policy are intended to be a useful reference to faculty, staff, students, researchers and visitors during the course of their employment, enrolment, study, appointment, engagement, teaching or research activities at the University. Basic information is included about procedures and responsibilities, who needs to do what, when and how. This Policy should be read together with other relevant standards and policies that are applicable to you from time to time and/or any agreement you have with the University (collectively "**IP Framework**").
- 1.3 **Governance.** The University has established the Knowledge Transfer Office to oversee the implementation and evolution of this Policy. The Knowledge Transfer Committee will provide strategic guidance to the Knowledge Transfer Office. Information about the Knowledge Transfer Office, its composition, responsibilities and functions can be found at Knowledge Transfer Office's website.
- 1.4 **Application.** This Policy applies to:
- (i) University's employees and staff, whether their appointments are permanent or temporary, full time or part time, salaried on wages or on contract or paid or sponsored by other parties ("**Staff**");
 - (ii) students of the University enrolled in programmes of study who may, from time to time, participate in University's programmes or activities, including but not limited to candidates for masters' and doctoral degrees and postdoctoral and pre-doctoral fellows ("**Students**"); and
 - (iii) researchers and visitors using the University's materials and resources, and any person who engages in work at the University, including visiting professors, adjunct and conjoint professors, teachers, scholars, consultants, volunteers, retired staff and other title holders but excluding any person whose engagement during his/her visit solely involves the giving of public lectures and does not involve teaching or research activities ("**Visiting Scholars**") (please also refer to your appointment terms or IP and confidentiality agreement with the University).

In case of any matters which are not covered or addressed in this Policy, the University shall make determination on a case-by-case basis.

- 1.5 **Binding Effect of Policy.** This Policy constitutes an understanding that is binding on the University, Students, Staff and Visiting Scholars.

2. OWNERSHIP AND USE OF INTELLECTUAL PROPERTY ("IP")

2.1 **What IP is Relevant.** IP covered by this Policy includes all output of creative endeavours in any field at the University; these may include:

- (i) literary works, including publications in respect of research results, and associated materials, including drafts, data sets and laboratory notebooks;
- (ii) teaching and learning materials;
- (iii) other original literary, dramatic, musical or artistic works, sound recordings, films, broadcasts and typographical arrangements, multimedia works, photographs, drawings and other works;
- (iv) databases, tables or compilations, computer software, preparatory design material for a computer programme, firmware, courseware and related materials;
- (v) patentable or non-patentable technical information;
- (vi) designs, including layout designs (topographies) of integrated circuits;
- (vii) plant varieties and related information;
- (viii) trade secrets;
- (ix) know-how, information and data associated with the above; and
- (x) any other University-commissioned works not included above.

You may visit the Hong Kong Intellectual Property Department's website for more information on the nature and scope of IP rights: <https://www.ipd.gov.hk/en/home/index.html>.

2.2 **Ownership of IP Generally.** The University is entitled to and asserts ownership of all IP developed, created, authored or otherwise contributed to by University's Staff, Students or Visiting Scholars: (a) in the course of their employment, enrolment, study, appointment or engagement with the University; (b) by using the University's resources, funding or teaching materials; or (c) where the creation has resulted from the use of, or incorporated, any IP owned by the University; unless as otherwise stated in this Policy or specifically agreed with you in writing. For the purpose of this Policy, the creator, inventor or author of the relevant material, work or IP, being a Student, Staff or Visiting Scholar as appropriate, is referred to as the "**Originator**". Any uncertainty of ownership of IP should be resolved prior to commencement or engagement of the work to be undertaken. If the generation of IP does not involve any of the University's resources or fall into any of the situations described under this Policy or any situations that may be deemed appropriate, the Originator may request the University to officially disclaim the ownership of such IP, and the provision of a disclaimer is subject to the sole and final determination of the Knowledge Transfer Office or the designated committee formed by the Knowledge Transfer Office.

- 2.3 **Third Parties.** Ownership of IP in projects involving third parties, such as sponsors, will be determined by the third-party agreement between the University and those parties to the project (refer to paragraph 2.6). Where an Originator has joint ownership of the IP with the University in such projects, such Originator shall not assign or license the IP without the prior written consent of the University, and consent shall be sought from the Knowledge Transfer Office, and in any event, such third party's rights shall always be subject to the terms of that third party agreement.
- 2.4 **Use of IP for Non-Commercial Purposes.** The University allows the exploitation, use and dealing in IP owned by the University for research, study or teaching purposes subject to the University's right to approve, make conditions, refuse or prohibit any use or form or manner of use of the IP or any part of the IP at its sole discretion at any time before or after such use. In the case where such use is intended for any project, research or consultancy with or for a third party, approval and consent of the Knowledge Transfer Office must be obtained before the commencement of any negotiation and disclosure to any party.
- 2.5 **Survival.** Rights and obligations under this Policy shall survive any termination or expiry of employment, study, enrolment, appointment or other engagement at the University.
- 2.6 **Determination of Rights in IP.**

The table below is a general overview of how IP is determined according to the nature of the materials or IP involved. In case of any question relating to which of the following is applicable, the Knowledge Transfer Office shall be consulted.

(A) Research Projects funded by the University or the Government.

Research projects funded by the University or the Government, including but not limited to the funding schemes under Innovation and Technology Fund (ITF), Health and Medical Research Fund (HMRF), General Research Fund (GRF), Strategic Patent Fund (SPF) and Matching Proof-of-Concept Fund (MPCF); and other consultancy funded by the Government

Type of IP	Party given Ownership Rights in IP	University's IP Rights	Originator's IP Rights
All IP	University owns all IP.	University's rights may be subject to specific provisions of the contract with a third party or the relevant funding guidelines. University may grant a non-exclusive, royalty-free and limited licence to the Originator to use the IP for teaching and research purposes at University.	Originator has the right to publish the research results (as a scholarly work) subject to confidentiality considerations. Right of fair attribution and right for work not to be used in such a way it would harm the reputation of Originator, but subject to specific provisions of the contract with a third party.

(B) Research Projects, Contract Research and Consultancy not falling within item (A) above.

Any project undertaken by the University and including projects undertaken by Students, under the supervision of a Staff member or a Visiting Scholar, or as part of a research degree programme; research funded by a grant, sponsored by a third party, or contracted between a third party and the University.

Type of IP	Party given Ownership Rights in IP	University's IP Rights	Originator's IP Rights
All IP	<p>University (and/or third-party sponsor) owns all IP.</p> <p>Please also refer to any research or sponsorship contract or approval that may be in place; the research contract or approval can also regulate ownership of IP created and either give sole ownership to or joint ownership with the third-party sponsor.</p>	<p>University's rights may be subject to specific provisions of the contract with a third party.</p>	<p>Originator retains the right of fair attribution and right for work not to be used in such a way it would harm the reputation of Originator, but subject to specific provisions of the contract with a third party.</p>

(C) University's Materials and Resources.

Materials produced by Staff or Students in the course of their employment at the University or with the use of the University's resources (including but not limited to laboratory facilities, computer facilities, software or equipment).

Materials produced by Visiting Scholars with considerable use of the University's resources (including but not limited to laboratory facilities, computer facilities, software or equipment).

Such materials referred to above include but not limited to documents, designs, drawings, photographs, sketches, plans, memoranda, sound recordings, records and writings, conference presentations, sculptures, films, music, journal articles, notes and teaching materials, study guides, course software and assessment materials.

For avoidance of doubt, any uncertainty of ownership of IP should be resolved prior to commencement or engagement of the work to be undertaken.

(Note that IP in personal notes taken by Students remains owned by them.)

Type of IP	Party given Ownership Rights in IP	University's IP Rights	Originator's IP Rights
All IP	University owns all IP.	University grants Originator a royalty-free, non-exclusive licence to use course materials for teaching and research purposes at the University.	Originator retains the right of fair attribution and right for work not to be used in such a way it would harm the reputation of Originator, but subject to the IP Framework. Originator will own IP created outside the course of employment and without use of the University's resources.

(D) Scholarly or Creative Works not falling within items (A), (B) or (C) above.

Works intended for publication (article, books, films, sound recordings, artistic works) in any media being output of Staff, Students or Visiting Scholars without use of the University's resources (including but not limited to laboratory facilities, computer facilities, software or equipment).

Type of IP	Party given Ownership Rights in IP	University's IP Rights	Originator's IP Rights
All IP	Originator owns all IP subject to any agreement with the University or a third party (sponsor).	Unless otherwise agreed, Originator grants to the University a perpetual, irrevocable, worldwide, royalty-free, unrestricted, non-exclusive licence for non-commercial, teaching, educational or research purposes.	In the case of any publication of the scholarly works, Originator should endeavour to obtain the publisher's permission to include the published scholarly works in the University's repository.

(E) Theses, dissertations and research materials produced by doctorate and postgraduate students (Note: This Policy shall prevail should there be any discrepancy between this Policy and the postgraduate student handbooks or any other guidelines of the University).

Type of IP	Party given Ownership Rights in IP	University's IP Rights	Originator's IP Rights
Copyright	<p>Originator owns the copyright in the materials.</p> <p>Please also refer to any research contract or approval that may be in place; the research contract or approval can also regulate ownership of IP created.</p>	<p>Originator grants to the University a perpetual, irrevocable, worldwide, royalty-free, unrestricted, non-exclusive licence for non-commercial, teaching, educational or research purposes.</p>	
Other IP (inventions, right to apply for patent in respect of inventions, the subject of the thesis or research)	<p>University owns the IP.</p> <p>Please also refer to any research contract or approval that may be in place; the research contract or approval can also regulate ownership of IP created.</p>	<p>There may be third parties involved in the research either under research or by sponsorship or investment, in which case the University shall negotiate ownership with such third party. The agreement with the third party may provide for joint ownership by the University and the third party or give ownership of the IP to the third party; it may also provide for joint ownership with Originator.</p>	<p>Originator retains the right of fair attribution and right for work not to be used in such a way it would harm the reputation of Originator and to be named as an inventor.</p>

(F) Works of other Students – undergraduate students and taught postgraduate students.

Such materials produced by Students including without limitation films, sound recordings, art, multimedia works, photographs, drawings, software codes.

Type of IP	Party given Ownership Rights in IP	University's IP Rights	Originator's IP Rights
All IP	The Student owns the IP if it is created without using the University's IP, materials, resources or assistance.	University owns the IP where the IP (or materials) was created using the University's IP, materials, resources or assistance.	Where University owns the IP: <ul style="list-style-type: none">the Student retains the right of fair attribution and right for work not to be used in such a way it would harm the reputation of the Originator or for commercial purposes.any use of the IP or materials by the Student is subject to approval by University.

3. PUBLICATION, NON-DISCLOSURE AND TRADE SECRETS

- 3.1 In any publication of research results or scholarly works, the Originator should be aware that any disclosure may result in loss of IP protection (such as patents). The Originator is therefore encouraged to make all reasonable efforts to identify any protectable IP as early as possible and follow the procedures set forth in paragraphs 5 (*Notification and Disclosure*) and 7 (*Administrative Procedures*) below.
- 3.2 Certain research results or information contained in scholarly works may be designated by the University as confidential information or trade secrets owned by the University; once notified of such designation, the Originator shall be obligated to maintain the secrecy of the information and to follow the directions of the Knowledge Transfer Office. The Originator may be asked by the Knowledge Transfer Office to sign, and the Originator agrees to sign, a confidentiality undertaking or non-disclosure agreement.

4. ASSIGNMENTS, LICENCES AND THIRD PARTY CONTRACTS

- 4.1 **Assignment.** Where the University is entitled to ownership of the IP, you (as and being an Originator) agree and assign pursuant to the IP Framework all the IP to the University. As the owner of the relevant IP, the University has all title, rights and interests of Commercialisation (as defined in paragraph 7.2(i)), protection and enforcement unless otherwise agreed with the Originator or any third party (such as a sponsor).

- 4.2 **Licence.** Where you (as or being an Originator) retain any of the IP and the University is entitled to a licence, you agree and license pursuant to the IP Framework all such IP to the University.
- 4.3 **Waiver.** You (as or being an Originator) may be requested by the University, to execute documents and take actions that may be needed to vest ownership (title, rights and interests) or the licensed rights in the University, and you agree to do so pursuant to the IP Framework. You may also be required to provide a written waiver in respect of your moral rights in respect of your work.
- 4.4 **Third Party Contracts.** Staff, Students and Visiting Scholars do not have the right to enter into any contract with external parties on behalf of the University unless approved or consented to by the University following the set of rules for entering into contractual arrangements with third parties and the handling of IP which all Staff, Students and Visiting Scholars are expected and required to follow, i.e. the University's policy on commitment approval and contract execution. In certain circumstances, a third party may request Staff, Students or Visiting Scholars to enter into separate agreements for certain commercial projects and research. Staff, Students and Visiting Scholars are advised not to sign such documents without prior approval from the Faculty/School/Department and the Knowledge Transfer Office as appropriate.
- 4.5 **Licensing Company.** The University has incorporated a wholly owned limited company in Hong Kong, HKBU R&D Licensing Ltd., as its commercialisation and licensing company. You may be asked to assign or license the relevant IP as required under paragraphs 4.1 and 4.2 to HKBU R&D Licensing Ltd. The purpose of using HKBU R&D Licensing Ltd. is to enhance the effectiveness of any commercialisation of IP owned by or licensed to the University.

5. NOTIFICATION AND DISCLOSURE

Certain matters should be disclosed and notified to the University.

- 5.1 **Commencement.** Upon commencing employment, enrolment or any appointment, Staff, Students and Visiting Scholars must declare any existing IP which they wish to exclude from the application of this Policy due to creation prior to their employment, enrolment or appointment at the University.
- 5.2 **Appointment at Another Institution.** Any Staff member who holds an honorary or other academic or research appointment at another institution should bring to the attention of the other institution his/her obligations under the terms of this Policy prior to tenure at that institution. The Staff member should ensure that the institution will discuss and negotiate with the University a suitable IP arrangement concerning any IP which may be created by him/her and the possible disclosure of the University's IP.
- 5.3 **IP Disclosure.** Where the Originator identifies any discovery, idea, creation, information or data resulting from research or knowledge transfer activities undertaken by him/her or his/her team which may potentially be considered an invention and patentable subject matter or which is potentially novel and non-obvious, s/he shall disclose such potential IP to the Knowledge Transfer Office promptly (as delayed submission of complete information may jeopardise the protection of the invention) via the Knowledge Transfer Office's website. The Originator must provide to the Knowledge Transfer Office such full, complete and accurate information as the

Knowledge Transfer Office or the University may reasonably require to enable it to sufficiently assess the technical and related features and functions, ownership, commercial potential and IP protection that may be applicable to such IP. Please follow the process set forth in paragraph 7 (*Administrative Procedures*).

6. RECORD KEEPING AND RETENTION

- 6.1 **Recording.** Staff, Students and Visiting Scholars must ensure that full and accurate records are made and kept for all the activities associated with the creation and development of IP arising from the teaching materials, scholarly or creative works, research and commercialisation of IP in the file management database and archives of the Faculty/School/Department. Such records include any form of sketch, drawing, written description kept in bound laboratory notebooks (dated with the individual's name) as well as formulae, algorithms, prototypes, data sheets, techniques and specification sheets, computation models, research reports, etc.
- 6.2 **Confidentiality.** All records relating to the creation and development of IP should be kept confidential by all Staff, Students and Visiting Scholars as required under the University's policies, guidelines, code of conduct and other relevant agreements associated with research of visiting academics, other researchers and contractors.

7. ADMINISTRATIVE PROCEDURES

- 7.1 **Responsibility.** The Knowledge Transfer Office (i) manages Commercialisation of IP and (ii) determines the suitability of IP for protection by registration as well as the form and manner of Commercialisation by the University.
- 7.2 **IP Disclosure.**
- (i) In order to enable the University to protect and Commercialise IP, it is required that it be informed promptly when the IP comes into existence. The IP disclosure is compulsory, and such disclosure should be made to the Knowledge Transfer Office. For the purpose of this Policy, "**Commercialisation**" means any form of utilisation of IP intended to generate value, which may be in the form of a marketable product, process or service, commercial returns or other benefit to society. Commercialisation can be in the form of licensing, assignment, sale, joint venture, collaboration, non-profit use or donation, and any other arrangement.
 - (ii) The Originator who created any IP shall disclose and report the IP to the Knowledge Transfer Office via the Knowledge Transfer Office's website promptly, including the following:
 - full, complete and accurate information and details of the IP to enable the Knowledge Transfer Office to sufficiently assess the technical and related features and functions, ownership, commercial potential and IP protection that may be applicable to such IP;
 - any other information that may be relevant or have an impact on any proposed strategies on Commercialisation, patentability and protection of the IP, including prior art, status of any related commercial agreements, prior use, disclosure and publication (or scheduled disclosure and publication); and

- any other information as the University may require or request.
- (iii) Pending and during the evaluation of the IP by the Knowledge Transfer Office, the Originator shall take all reasonable steps to protect the confidentiality of the IP and shall not make any public disclosures such as publication, presentations or submissions to journals or conference abstracts.

7.3 **Evaluation and Recommendation.**

- (i) The Knowledge Transfer Office may, whether or not upon the receipt of a request or notification for IP protection or Commercialisation from the relevant Faculty/School/Department, consider and assess the opportunities, value or viability of protecting and Commercialising the IP.
- (ii) The Knowledge Transfer Office shall conduct an initial assessment of the IP as to whether it is protectable, patentable and/or capable of Commercialisation.
- (iii) The Knowledge Transfer Office or the designated committee formed by the Knowledge Transfer Office shall make pertinent recommendations on strategies for protection, Commercialisation and exploitation of the IP to the University for decision.
- (iv) The Knowledge Transfer Office may, as it sees fit, seek advice from expert(s) and/or consultant(s) before making a decision, and if necessary, require additional information and materials for evaluation purposes. The Knowledge Transfer Office shall make such decision as appropriate as to whether the IP is suitable for protection, exploitation and/or Commercialisation by the University and determine the timeline for the application of protection, publication and Commercialisation. The decision whether or not to protect and/or Commercialise the IP shall be at the sole discretion of the University.
- (v) The Knowledge Transfer Office will use reasonable efforts to notify the Originator of its decision after formal receipt of the IP disclosure. The Originator may request an expedited IP filing prior to the Knowledge Transfer Office issuing its decision, in which case the Originator shall undertake to pay all costs of an expedited IP filing if the University finally decides not to fund the application and/or protection of the IP. In such expedited IP filing cases, the Originator is encouraged to opt for filing a US provisional patent application.

7.4 **IP abandoned or not Commercialised.**

- (i) *Prosecution and Maintenance.* The University reserves the right not to protect or Commercialise any IP owned by the University. Should the University not wish to protect and/or Commercialise any IP, or for any reason abandon the application or registration of the IP, the University shall notify the Originator of the decision in writing, and subject to the approval of a committee designated by the University and any third party rights, the Originator may proceed with patent protection and pay any necessary legal fees, expenses and costs (including filing, prosecution, maintenance and renewal fees) of such IP at his/her own expense. In such case, administration of the IP concerned remains managed by the Knowledge Transfer Office. For the avoidance of doubt, the ownership, title

and rights of the IP concerned shall remain vested and registered in the name of the University.

(ii) *Terms and Conditions.*

- a) If the Originator pays for legal protection of the IP concerned under this paragraph 7.4:
 - (i) upon Commercialisation, the Originator shall be compensated for a share of the net revenue at a sharing ratio. As a general rule unless the University decides otherwise at its sole discretion, the Net Revenue (as defined in paragraph 8.3(ii)(a)) sharing ratio in this case is as follows: the University 10% and the Originator 90%, which shall be subject to any contrary agreement in writing as provided in paragraph 8.3(iv) below; and/or
 - (ii) the Originator may be granted a non-exclusive right to use the IP for research and teaching purposes subject to any other agreement with a third party.
- b) If the University assigns the IP to the Originator and the Originator accepts the assignment, the Originator shall pay a consideration sum and/or royalty to the University and any legal costs for the assignment, and the parties shall agree on other arrangements in a separate contractual agreement, provided that the University shall be granted a non-exclusive, royalty-free, irrevocable, perpetual and worldwide licence to use the assigned IP for research and teaching purposes.

7.5 **Confidentiality.** All Staff, Students and Visiting Scholars are under an obligation to maintain a duty of confidentiality in respect of any IP created or developed by them during the evaluation and pending the University's decision and are relieved of such obligation when both the University and the Originator determine not to proceed with the protection, Commercialisation or other exploitation of the IP.

7.6 **Decision to Commercialise.** The University shall have the sole discretion to decide the Commercialisation strategy. The University shall use reasonable efforts to keep the Originators informed and, where appropriate, involved in the Commercialisation of the IP to which they have contributed.

8. INCENTIVES AND SHARING OF NET REVENUE.

8.1 **Purpose.** The University, in the interest of promoting knowledge transfer, will give due consideration to incentives to researchers to foster research that has socioeconomic impact; such incentives may be financial in nature. An Originator and any Other Relating Parties (as defined in paragraph 8.2) may receive incentives from each IP they created/assisted which is Commercialised.

8.2 **Other Relating Parties in the University.** The University recognises that an assistant, technician and other individual may have assisted in the creation of IP by the Originators (the "**Other Relating Parties**") and as such may not be listed as an author or inventor in terms of IP, mainly through the execution of standard tasks or following through on specific instructions but without whose practical contribution the

Commercialisation would not have been possible. Similarly, careful consideration must be given to the degree of supervising Staff's involvement and their contribution to the IP. The Originator may at his/her sole discretion set aside a certain percentage of his/her portion of the Net Revenue for Other Relating Parties.

8.3 **Sharing of Revenues.** The University agrees to an equitable income sharing basis in respect of Net Revenue arising from Commercialisation of IP, including any Net Revenue derived from the licensing of IP the ownership of which belongs to the University.

- (i) **IP Expenses.** Costs and expenses will be incurred in securing and protecting IP. Where the ownership of the IP is vested in or has been assigned to the University, the University shall be responsible for the cost and expenses of obtaining and securing protection of, maintaining and enforcing such IP, including legal or other fees payable to third parties, overhead costs charged by the Finance Office, administrative fees as approved by the Knowledge Transfer Committee, for effecting a licence or assignment of the IP (including marketing costs, contract negotiation and drafting costs), registration/recordal thereof in the relevant jurisdictions (which shall be determined by the University) and any other steps required to effect the transfer or licence (collectively referred to as "**IP Expenses**").
- (ii) **Calculation of Net Revenue.** The University's revenue sharing and incentive scheme applies to all revenue received by the University for Commercialisation of IP owned by the University (including, as examples, money received from sale, options payments received, royalty fees received, upfront and milestone payments received, share of profit received, dividends received, commission income through disposal of equity, and direct sale of products or services).
 - (a) The net revenue based on which the net revenue sharing ratio is to be applied is the total revenue actually received by the University less the IP Expenses (referred to as "**Net Revenue**").
 - (b) Where the IP is co-owned by the University and a third party, the revenue will be shared by them with a pre-determined formula as per the contractual arrangement. In such a case, the revenue received by the University and the Net Revenue will be determined, and Net Revenue will be shared with Originators at a certain fixed percentage (%), subject to the terms of the third-party contract and to be further agreed between the University and the Originator.
- (iii) **Net Revenue Sharing Ratio.** How the ratio in which the Net Revenue will be shared between the University and the Originator is determined, as a general rule unless the University decides otherwise at its sole discretion, by the Net Revenue sharing ratio as follows: University 15% and Originator 85%, which shall be subject to any contrary agreement in writing as set forth in subparagraph (iv) below or in paragraph 7.4. The extent of involvement or support and agreement on the Net Revenue sharing ratio shall be documented in the "IP disclosure" submitted to the Knowledge Transfer Office.
- (iv) **Subject to Agreement.**

- (a) The University and Originator may agree on a Net Revenue sharing ratio which deviates from the general rule referred to in sub-paragraph (iii) above or paragraph 7.4(ii)(a)(i) or other arrangement (including length of entitlement and share of IP Expenses) by separate agreement, provided always that such arrangement has been approved by the Knowledge Transfer Office.
- (b) The Originator may at his/her sole discretion choose to provide for Other Relating Parties in the University to receive a share of the Originator's portion of the Net Revenue.
- (v) **Entitlement.** Originators will be entitled to Net Revenue sharing for as long as the University receives Net Revenue from the Commercialisation of the IP, subject to the terms of this paragraph. It is the Originator's responsibility to provide up-to-date contact and banking details for the purpose of Net Revenue sharing.
 - (a) If the University pays an amount into an incorrect account as a result of information supplied to it being outdated or incorrect, the University will not have any further obligation or liability in respect of such payment, which will be deemed to have been duly and properly made.
 - (b) Unless contrary to law, should the University be unable to locate or contact the Originators through reasonable efforts in order to effect payment of the Net Revenue share amount, and a period of five years has passed since an initial attempt, then the University shall at its sole discretion determine the handling of such amount owed to that Originator or his/her heirs including but not limited to paying such amount to the University's central fund to be used to support research and innovation activities.
 - (c) The University will keep relevant IP revenue amounts in reserve for a maximum period of five years, after which all rights of Originators to receive such payments will be forfeited.
- 8.4 **Process.** As soon as reasonably practicable after evaluation in accordance with paragraph 7.3 and the Knowledge Transfer Office has decided to Commercialise the IP, the Knowledge Transfer Office will advise the Originators of the decision to Commercialise.
- 8.5 **Shares in a Commercialisation Entity.** In the case where an Originator is granted equity in a Commercialisation entity that licenses the IP which the Originator has created, such Originator's portion in the Net Revenue sharing will be adjusted accordingly, taking into account the shares held in the entity by the Originator. All other Originators will be rewarded in accordance with paragraph 8.3. Where the University receives an offer of the shares in a licensee company, which company may be a Commercialisation entity, as consideration for an IP licence, the University may at its sole discretion accept to hold such shares and further agree on other arrangements on a case-by-case basis.

9. IP MANAGEMENT

9.1 **Recording and Monitoring.** The Knowledge Transfer Office or a legal agent appointed by the Knowledge Transfer Office shall maintain records of the University's IP in an appropriate form and in sufficient detail.

9.2 Third Party Rights.

- (i) If the property, material, information or IP of any third party has been used, incorporated, or otherwise employed as a basis of or reference to, in or in connection with the creation and development of any IP by the Originator:
 - a) Originators are responsible for identifying and obtaining all proper and appropriate approval, consent or clearance from all relevant third parties;
 - b) Such third party's rights and approval, consent or clearance shall be disclosed as part of the disclosure of IP under paragraph 7.2 (*IP Disclosure*); and
 - c) Originators should not disclose or Commercialise or allow any disclosure or Commercialisation whether the IP is owned by them or by the University before obtaining the third party's approval, consent or clearance.
- (ii) Originators are required to ensure, and undertake, that all reasonable steps, including research and investigation, have been taken to ensure the IP developed, created, authored or otherwise contributed by them do not infringe the IP rights belonging to any third parties and to make full disclosure together with all documentation of any actual or potential infringement claims or actions from a third party, or by a third party relating to the IP of the University, to the Knowledge Transfer Office.
- (iii) In the event of any damages payable, whether pursuant to an order of a competent court or tribunal in any jurisdiction, or settlement with the third-party claimant, by the University as a result of the Originator's failure to seek the proper consent, approval or clearance from the relevant third-party right holder, the University reserves the right to demand reimbursement and compensation from the Originator, and the Originator shall upon demand of the University reimburse and compensate the University for the damages paid and the reasonable legal costs and other expenses incurred by the University.

9.3 **Appointment of Legal Agent.** The University may appoint an appropriate legal agent to assist in the portfolio management and matters relating to assignment, licensing and Commercialisation of the University's IP. Originators shall execute and/or provide as requested by the University such information and documents as may be required to assist the University in securing and maintaining IP protection, the transfer and assignment of IP ownership or licensing or otherwise relating to the Commercialisation of the IP as appropriate.

10. PROTECTION OF ORIGINATOR'S IP

- 10.1 **University Support.** Where the IP is owned by the Originator, upon the request of the Originator, the University may at its option and sole discretion, assist the Originator in securing protection and opportunities for Commercialisation of the IP at the Originator's own cost. The University (through the Knowledge Transfer Office) may also, at its option and sole discretion, request the Originator to secure protection and accept and agree to Commercialisation of the IP, and if the Originator accepts the University's request: (i) the University shall be responsible for the costs and process of securing the protection and the Commercialisation formalities (including the entering into of the relevant agreements); (ii) the Originator shall grant to the University an exclusive, royalty free, worldwide licence to such IP; (iii) the Originator's right to share the Net Revenue shall follow the provisions of paragraph 8.3; and (iv) the licence on the IP and the Net Revenue sharing arrangement between the University and the Originator shall be governed by a written licence agreement to be entered into between the parties.
- 10.2 **Third Party Claims.** Should there be any claim, threat, dispute or litigation of infringement of or against an Originator's IP, including plagiarism, infringement, misappropriation or passing off, the Originator shall be solely responsible and liable for any damages and costs payable arising therefrom.

11. TERMINATION OF SERVICE OR COMPLETION OF STUDIES

- 11.1 **University-Owned IP Rights.** Where the ownership of IP rights belongs to the University, on the expiry or termination of the employment or service contract (including, but not limited to, resignation, retirement and summary dismissal) of the Staff member or Visiting Scholar, or the completion or termination of studies of the Student, the University may request, and the departing Staff member, Student or Visiting Scholar shall execute a confirmatory assignment of any remaining rights of the IP that shall be transferred or assigned to the University. The Staff member or Visiting Scholar should bear in mind that under certain applicable legislation, such as the China Patent Law, for Staff or Visiting Scholars with the University in Mainland China, the University shall be entitled to claim ownership and, if so needed, require the Staff member or Visiting Scholar to transfer or confirm the transfer of IP which is created and comes into existence within one year of expiry or termination of the employment or service contract where such IP relates to her/his duties or other tasks entrusted to him/her by the University.

12. GOVERNING LAW AND DISPUTE RESOLUTION

- 12.1 This Policy shall be governed by and interpreted and enforced in accordance with the laws of the Hong Kong SAR.
- 12.2 Any dispute or difference arising out of or in connection with this Policy, its application or interpretation shall be addressed to the Director of the Knowledge Transfer Office. The Director of the Knowledge Transfer Office may seek internal or external expert advice and may at his/her sole discretion appoint a suitably qualified person to conduct an investigation into the dispute, including the gathering of evidence and interviewing of relevant parties to the dispute, and to decide on a resolution of the dispute.

- 12.3 Where the dispute cannot be resolved, either party may refer the dispute for resolution by arbitration pursuant to the Arbitration Rules of the Hong Kong International Arbitration Centre (the "**HKIAC Rules**"). The parties shall agree that the arbitration shall be conducted according to the HKIAC Rules in force when such arbitration is commenced. The arbitral tribunal shall be composed of one single arbitrator who shall be chosen in accordance with the HKIAC Rules. The language of the arbitration shall be English. The seat and venue of the arbitration shall be Hong Kong. The parties agree that the arbitration award shall be final and binding on the parties from the day it is made, and the parties agree to waive any right to apply to any court of law or other judicial authority to determine any point of law or review any question of law or the merits, insofar as such waiver may be validly made. Each party shall bear its own costs associated with the arbitration.
- 12.4 Nothing in paragraph 12 shall prevent or delay either party from seeking or obtaining conservatory or interim relief in a court of competent jurisdiction pending the reference of a dispute to arbitration or pending determination by the arbitrator.
- 12.5 The existence of a dispute does not permit either party to suspend or otherwise cease to perform any of its obligations under this Policy or the IP Framework, and each party shall continue to comply with all of its obligations under this Policy or the IP Framework as if the dispute did not exist.

13. APPLICABILITY TO UNIVERSITY'S SUBSIDIARIES

This Policy applies to all the subsidiaries of the University in Hong Kong or elsewhere, including but not limited to Institute of Research and Continuing Education (IRACE).

14. AMENDMENT

The University has the right to make changes to this Policy from time to time. In case of amendment:

- (i) all IP disclosed on or after the effective date of such amendment shall be governed by this Policy as amended; and
- (ii) all IP disclosed prior to the effective date of the amendment shall be governed by the Policy prior to such amendment, provided that the provisions of this Policy (as amended) shall apply to all IP licensed or otherwise Commercialised on or after the effective date of any such amendment, regardless of when the IP is disclosed.

15. ENQUIRIES

Staff, Students and Visiting Scholars may contact the Knowledge Transfer Office for IP matters, questions or suggestions. Requests or suggestions may be considered and discussed by the Knowledge Transfer Committee on the advice of the Knowledge Transfer Office.

Knowledge Transfer Office

Hong Kong Baptist University

Dated: 1 October 2023