
Name of Directive: **Inventions, Patents and Their Commercialization Regulations**

Inventions, Patents and Their Commercialization Regulations

Preamble

The University is a recognized institution of higher education, within the meaning in the Council for Higher Education Law, 1958, whose object is the creation, preservation and transmission of knowledge for the benefit of the public and future generations. The University is therefore charged with upholding and developing teaching and research in all areas of science and culture, based on the principle of academic freedom. Within the framework of carrying out the University's functions, a variety of intellectual property is created and ownership is vested in the University. The University's policy, with respect to its intellectual property, is to allow its exploitation for the benefit of society, to obtain sources of financing for the purpose of advancing University research and to reward the inventors with fair remuneration, all while according priority to preserving the University's character as a nonprofit academic institution and personal academic freedom over the generation of income.

The object of these Regulations is to determine procedures to allow for the protection and commercialization of the University's intellectual property in the framework of the University's policy.

Chapter One: Definitions and Interpretation

1. In these Regulations, the terms set forth below will have the meaning appearing opposite them, as follows:

“the University”

Tel Aviv University.

“Invention”

An invention or discovery, whether the invention or discovery is a product or a process, or whether it is novel use of an existing invention or discovery, or whether it is tangible research results, and including know how; technology; a method; a development; an organism; transgenic animals; genetic material and other biological material; a composition of substances; a chemical compound; an apparatus; a machine; hardware; a chemical substance; an algorithm; software; an integrated circuit; mask works; a plant strain or species, and any other research result (including a result constituting an enhancement or improvement of an existing invention or discovery), but excluding a result constituting a work which is the subject of copyright protection, when in this regard an algorithm, software, integrated circuit and mask

Name of Directive: **Inventions, Patents and Their Commercialization Regulations**

works will not be regarded as works that are the subject of copyright protection.

For the purpose of this definition:

(i) “Invention” – whether or not it is patentable, and with respect to a plant strain or species – whether or not it is eligible for registration as a plant breeder’s right.

(ii) The terms “algorithm” and “software” refer to an algorithm or, as the case may be, software, intended for application in a machine, process, product, substance or composition of substances or embodying any operational function whatsoever, or having practical application, and they do not refer to an algorithm or software intended for the resolution of a mathematical or purely abstract problem, or embodying a solely abstract concept.

(iii) The term “mask works” means: a three-dimensional pattern of an integrated circuit or a three-dimensional pattern prepared for the production of an integrated circuit.

“ Commercial Company ”	A corporation operating for the generation of profit.
“ Employee ”	A person in an employment relationship with the University, whether employed in a full-time or part-time position, and whether he is on sabbatical, paid leave or unpaid leave.
“ Ramot Employee ”	A person in an employment relationship with Ramot, whether employed in a full-time or part-time position, and whether he is on sabbatical, paid leave or unpaid leave.
“ Nonprofit Institution ”	An academic research institution, other nonprofit research entity, or any other corporation that is a nonprofit institution (operating not for profit).
“ University Resources ”	Any of the following: funds of the University or Ramot, or funds managed by the University or Ramot; human resources of the University or of Ramot; University laboratories, facilities,

Name of Directive: **Inventions, Patents and Their Commercialization Regulations**

equipment or other resources; Ramot's equipment; a grant from the University or from one of the University's funds or funds managed by the University; participation in research performed by the University; the performance of research under the academic instruction of an Employee or the academic instruction of an academic appointee on behalf of the University, or the assistance of a Student; or the performance by such academic appointee of research funded by any third party in the framework of an agreement between the third party and the University or Ramot, or with any other significant assistance whatsoever of the University.

**“Use of the University's
Physical Resources
Only”**

Use of the University's physical resources (such as laboratories, facilities or equipment), without the assistance of the human resources of the University or Ramot or of any academic appointee on behalf of the University (even if not an Employee) and without cooperation with, or the performance of research under the instruction of, such human resources or academic appointee, and also without the assistance of any fund of the University or which is managed by the University, or of a grant on behalf of the University or on behalf of a fund, or any other assistance of the University, apart from such use of the University's physical resources only.

“Outside Work”

Performance by any Employee or Ramot Employee, in addition to his work at the University, or, as the case may be, at Ramot, of consulting services (including, for the avoidance of doubt, one day a week consulting or work constituting, pursuant to the University procedure known as the procedure on “Outside Work of Members of the Academic Staff”, permitted outside work) or of any other services, or of any other work (whether temporary or permanent, and whether as a salaried or self employed worker).

“Service Invention”

(i) The Invention of an Employee arrived at in consequence of his service at the University and during the term of his service at the University, or an invention of a Ramot Employee arrived at in

Name of Directive: **Inventions, Patents and Their Commercialization Regulations**

consequence of his service at Ramot and during the term of his service at Ramot (including, for the avoidance of doubt, in consequence of his service in the framework of any research or work performed at the University);

(ii) An Invention of a person who was an Employee or a Ramot Employee arrived at in consequence of his service at the University or at Ramot, in the period of the year commencing on the date of termination of the employment relationship between him and the University, or, as the case may be, between him and Ramot;

(iii) An Invention of an Employee or Ramot Employee arrived at in the course of his occupation or activity in Outside Work, or in the course of his occupation or activity while on sabbatical or on leave (either paid or unpaid), if it was created in consequence of and during the Employee's term of service at the University or at Ramot.

(iv) An Invention arrived at by a Student, Pensioner, visiting scientist or by any other person including, if relevant, an undergraduate student, if to arrive at such invention, University Resources were exploited, except, with respect to an undergraduate student, where such exploitation does not exceed Use of the University's Physical Resources Only.

"Inventor"

With respect to an Employee and a Ramot Employee – an Employee, or, as the case may be, a Ramot Employee who arrived at, either alone or together with any other or others, any Invention whatsoever, whether a Service Invention or an Invention that is not a Service Invention;

And with respect to a person that is not an Employee or Ramot Employee:

(i) A person who was an Employee or a Ramot Employee who arrived at, alone or together with others, any Invention whatsoever, whether a Service Invention or an Invention that is not a

Name of Directive: **Inventions, Patents and Their Commercialization Regulations**

Service Invention, that was arrived at during the period of the year commencing on the date of termination of the employment relationship between him and the University, or, as the case may be, between him and Ramot;

(ii) A Student, Pensioner, visiting scientist or any other person, including, if relevant, an undergraduate student who arrived at, either alone or together with any other or others, any Invention whatsoever, whether a Service Invention or an Invention that is not a Service Invention, if to arrive at such invention, University Resources were exploited, except, with respect to an undergraduate student, where such exploitation does not exceed Use of the University's Physical Resources Only.

“Joint Invention”

An Invention arrived at by more than one Inventor; an Invention will be regarded as an Invention arrived at by several Inventors if each of them arrived at an essential element of the Invention or significantly contributed to its development or had any other creative contribution to arrive at such Invention.

“Inventor of a Service Invention”

With reference to any Service Invention whatsoever – an Inventor of a Service Invention, or, in the event of a Service Invention which is a Joint Invention, the Inventors of the Service Invention.

“Patent Agreement”

As defined in Regulation 9.3.1 below.

“Supporting Documents”

With reference to any Invention whatsoever – any documentation relating to the Invention, including drawings, charts, diagrams, plans, specifications, calculations, physical examples, and documents (including electronic communications creating a legible or visually decipherable copy, of the materials transmitted by means thereof), including descriptions, explanations or details describing the Invention.

**“Principal Investigator”
or “Principal**

With respect to any research whatsoever – a person or persons heading the research.

Name of Directive: **Inventions, Patents and Their Commercialization Regulations**

Investigators”

“Researcher”

(i) A person who performed or took part in the performance of any research whatsoever using the University Resources, whether he is an Employee or a Ramot Employee, a Student, Pensioner, visiting scientist, or any other person whatsoever.

(ii) An undergraduate student who performed or took part in the performance of any research whatsoever using the University Resources that is not Use of the University’s Physical Resources Only.

“Student”

A University master’s or doctoral student, as well as a post-doctorate student.

“Pensioner”

A person who retired and who was, immediately prior to his retirement, a member of the academic staff of the University.

“Shares”

With respect to any corporation whatsoever – shares, options to shares or other rights convertible into shares in a corporation and any other rights of any class or category granting to a holder thereof any other right whatsoever in a corporation or *vis-à-vis* a corporation or an option to receive any other right.

“the President”

The President of Tel Aviv University.

“R&D Vice President”

Vice President for Research and Development.

“Ramot”

Ramot at Tel Aviv University Ltd.

“the Committee”

The committee whose composition, powers and procedures are set forth in Chapter Two of these Regulations.

“Corporation”

Any entity whatsoever, whether incorporated or unincorporated.

The word “including” appearing in these Regulations will not be interpreted narrowly. Accordingly, the word “including” will be interpreted as “including, but without derogating from the generality of the foregoing”.

Name of Directive: **Inventions, Patents and Their Commercialization Regulations**

Chapter Two: The Committee

2. Composition of Committee:

- 2.1 The R&D Vice President will head the Committee.
- 2.2 Five senior members of the academic staff. Four of these members will be senior members of staff from each of the faculties set forth below: Medicine, Life Sciences, Exact Sciences and Engineering. The fifth will be a senior member of staff from one of the other faculties of the University.
- 2.3 The Legal Adviser of the University or his representative, who will be one of the attorneys working in his office, as well as the CEO of Ramot, or his representative, who will be one of the Vice Presidents of Ramot, will be invited on a regular basis to meetings of the Committee, and they may express their opinion with respect to matters to be deliberated in the Committee, but they will have no voting right.

3. Appointment of members of the Committee:

The members of the Committee to be appointed from among the senior academic staff of the faculties mentioned in Regulation 2.2 above (hereinafter the “**Appointed Members**”) will be appointed by the President.

4. Term of office of members of the Committee:

The Appointed Members will serve in office as members of the Committee for two years from the date of their appointment and they may be reappointed for a further two-year term of office or for further terms of office of two years each, but not more than three consecutive terms of office.

5. Appointment to fill any vacant position:

Where the position of an Appointed Member has become vacant (in consequence of resignation, death, termination of employment at the University or for any other reason whatsoever) or such member is unable to carry out his position (due to persistent illness, incapacity, a departure abroad for an extended period, or for any other reason whatsoever), the President will appoint another member in his place, provided that the provisions of Regulation 2 of these Regulations are upheld.

6. Powers of the Committee:

The powers of the Committee are as follows:

Name of Directive: **Inventions, Patents and Their Commercialization Regulations**

- 6.1 To hear an objection filed by an Inventor of any Service Invention whatsoever, as stated in Regulation 9.5.1 of these Regulations, to a decision of Ramot according to which Ramot is not interested in the Service Invention and to decide whether to accept or reject the objection.
- 6.2 To determine, as stated in Regulation 13.3 below, whether any Invention whatsoever which was claimed not to be a Service Invention in a notice delivered, or to be delivered to Ramot, as stated in Regulations 10, 11 or 13.1 of these Regulations, is or is not a Service Invention.
- 6.3 ---
- 6.3.1 To hear an objection filed by a Researcher, as stated in Regulation 14.1.1 below, on his non-inclusion in the list of Inventors of any Joint Invention whatsoever, and to decide whether to accept or reject the objection.
- 6.3.2 To hear an objection filed by an Inventor, as stated in Regulation 14.1.2 below, on the degree of proportionate contribution to arriving at any Joint Invention whatsoever ascribed to him, and to decide whether to accept or reject the objection, whether in whole or in part.
- 6.3.3 To determine the proportionate contribution (in percentages) of each of the Inventors of any Joint Invention, to the extent:
- (i) that this is necessary due to acceptance of an objection filed with respect thereto, as stated in Regulation 14.1.1 below, or due to the full or partial acceptance of an objection filed with respect thereto as stated in Regulation 14.1.2 below; or
- (ii) the Inventors of the Joint Invention failed to reach agreement between themselves (or they are regarded, as stated in Regulation 14.1.3(ii) below, as not having reached agreement) on the proportionate contribution of each of them to arriving at such Invention, all as stated in Regulation 14.1.3 below.
- 6.4 To determine the (total) relative weight to be attributed to each part of the Relevant Inventions (as defined in Regulation 18.1 below) arrived at in the course of one research study (in the event the Relevant Inventions were arrived at during more than one research study) in all the Relevant Inventions, all as stated in Regulation 14.1.3 below.
- 6.5 To provide consultation to the R&D Vice President on the matters set forth in these Regulations.

Name of Directive: **Inventions, Patents and Their Commercialization Regulations**

6.6 To propose to the Executive Council, by means of the R&D Vice President, changes and updates to these Regulations.

6.7 To use any other power granted to the Committee under these Regulations, including under Regulation 8.1.

7. Committee procedures:

7.1 The Committee hearing procedures will be determined by it with the approval of the President.

7.2 The Committee may amend, alter or replace, from time to time, the procedures to be determined by it, all with the approval of the President.

7.3 Decisions of the Committee which, according to the Committee, have fundamental implications with respect to similar future cases, will be published or presented for the review of the members of the academic staff, all as shall be determined, and in the manner to be determined, from time to time by the R&D Vice President, after the redaction from the decisions of particulars relating to the Inventions forming the subject of the decisions, identifying particulars relating to the persons to whom such decisions are ascribed, as well as other details (if any) that in the view of the R&D Vice President, the publication of which is likely to violate the intellectual property rights of the University, or the commercialization thereof, as stated in these Regulations, or constitutes a breach of the undertakings of the University or Ramot to any third party.

8. Powers of the Committee with respect to decisions and determinations under this Chapter of the Regulations and the finality of such decisions and determinations:

8.1 For the purpose of reaching a decision on any objection submitted to the Committee under this Chapter of the Regulations and for the purpose of any determination that the Committee has authority to determine under this Chapter of the Regulations, the Committee may undertake any examination, consult with experts, request and obtain professional opinions and perform any other act, all as the Committee, at its discretion, sees fit for the purpose of adopting a decision and execution of its determination.

8.2 Before adoption of a decision on any objection filed with the Committee under these Regulations, and before execution of any determination whatsoever that the Committee is required to determine pursuant to these Regulations, the Committee will give the parties involved in the objection

Name of Directive: **Inventions, Patents and Their Commercialization Regulations**

or determination an opportunity to appear before it and present arguments (including to furnish it with material relevant to these arguments).

- 8.3 An Inventor who has objections with respect to Ramot's handling of the commercialization of its Invention may bring his objections before the Committee.
- 8.4 Decisions of the Committee on any objection whatsoever filed with it under these Regulations and the determinations of the Committee made under these Regulations are final and bind all parties concerned. Notwithstanding the foregoing in this Regulation, in the event the Committee was furnished with new data that were not before it in the hearing on the objection, the Committee may, at its sole discretion, hold a rehearing of the objection.

Chapter Three: The Property in the Inventions

9. The property in the Inventions:

- 9.1 Subject to the provisions of these Regulations, the ownership of a Service Invention and the intellectual property rights granted on account thereof, including the Supporting Documents relating thereto, is granted to the University.
- 9.2 Pursuant to the agreement between the University and Ramot:
- (i) Ramot is engaged, *inter alia*, in the commercialization of Inventions that are the result of the research performed by the University and of the intellectual property rights granted to the University, as well as in the promotion of applied research at the University, by identifying commercial entities willing to enter into agreements with Ramot granting them, for the consideration stipulated therein, a license to use the research results for purposes of development, production and marketing of products based thereon; these agreements sometimes also include financing from the commercial entity for the applied research at the University and obtaining a license for exploitation of the results thereof;
 - (ii) Ownership of Service Inventions is assigned to Ramot, Ramot files patent applications (in its name) with respect to the Service Inventions that appear to it to be suitable for this purpose and handles all matters incidental to the patent applications and the patents received in consequence thereof;
 - (iii) Ramot is the sole entity competent to file patent applications with respect to Service Inventions (excluding Service Inventions that the

Name of Directive: **Inventions, Patents and Their Commercialization Regulations**

ownership therein will be granted to the Inventor of the Service Inventions under the provisions of Regulations 9.5 and 9.6 below).

9.3 Pursuant to the University's procedures, and without derogating from the provisions of these Regulations:

9.3.1 Where a Service Invention is arrived at has commercial potential, an agreement is signed between the University, Ramot and the Inventor of the Service Invention (hereinafter in these Regulations, "**Patent Agreement**") regulating the mutual rights and obligations of the University, Ramot and the Inventor of the Service Invention, with respect to the Service Invention; a sample Patent Agreement is presented in **Appendix A** of these Regulations; and

9.3.2 Ramot is the sole entity competent to conduct commercial negotiations or to enter into an agreement with a commercial entity in connection with performance of the applied research at the University or in connection with the commercial exploitation of the Service Inventions or in connection with provision of services to industrial or business entities through the utilization of University Resources.

9.4 Ownership of an Invention which is not a Service Invention and the intellectual property rights granted on account thereof and in all the Supporting Documents relating thereto is granted to the Inventor or the Inventors of the Invention.

9.5 Where all the following (cumulative) conditions have been satisfied with respect to any Service Invention whatsoever:

9.5.1 if Ramot has decided that it is not interested in any Service Invention and it notified the Committee and the Inventor/Inventors of the Service Invention thereof in writing, and the Inventor/Inventors of the Service Invention failed to object in writing to the decision before the Committee within 30 days of the date on which the notice was delivered to the Inventor/Inventors, or he/they objected in writing to the Committee on the decision during the aforesaid period, but the Committee rejected his/their objection;

9.5.2 the Inventor/Inventors of the Service Invention signed an agreement with Ramot in the example form presented in **Appendix B** of these Regulations referring (*inter alia*) to the regulation of Ramot's rights in connection with the payments due to it as stated in Regulation 19.2 below in the event of

Name of Directive: **Inventions, Patents and Their Commercialization Regulations**

commercialization of the Service Invention and in connection with reimbursement of the Expenses Amount (as defined in Regulation 18 below) that Ramot incurred (if any) in connection with the Service Invention, and the transfer from Ramot to the Inventor/Inventors of the patent applications and other material with respect to which Ramot bore the Expenses Amount;

then, notwithstanding anything stated otherwise in these Regulations, the Inventor/Inventors of the Service Invention will be granted ownership of the Service Invention, the intellectual property rights and the Supporting Documents referring to the Service Invention.

In such case as stated in this Regulation, in which there are several Inventors and only some of them have signed the aforesaid agreement with Ramot as stated in Regulation 9.5.2, then notwithstanding anything stated otherwise in these Regulations, the Inventor/Inventors who signed the agreement will be granted ownership of the Service Invention and Ramot's share of the Invention will be transferred to the Inventor/Inventors or will be distributed *pro rata* between the Inventors.

- 9.6 Where Ramot has decided that it is not interested in a specific Service Invention, and notified the Committee and the Inventor/Inventors of the Service Invention thereof in writing, and the Inventor/Inventors of the Service Invention did not object before the Committee in writing to such decision as stated in Regulation 9.5.1 and did not sign an agreement with Ramot as stated in Regulation 9.5.2 within 30 days of the date on which the notice was delivered to the Inventor/Inventors, the Inventor/Inventors will be regarded as having abandoned the Invention, and they will have no argument against the University or against Ramot in connection with the abandonment of the Invention and/or abandonment of the patent protection with respect thereto.
- 9.7 Without derogating from the foregoing in Regulations 9.5 and 9.6 above, after the date of filing an international patent application (PCT) or a national patent application, according to the earlier of the two, with respect to a Service Invention, Ramot will deliver to the Inventor of the Service Invention its decision as stated in Regulation 9.5.1 at least three months prior to the date of performance of the next activity required in connection with the patent application and/or the patent filed with respect thereto.
- 9.8 The following provisions will apply to the property in Inventions arrived at during cooperation between the University or its Researchers, and outside entities:

Name of Directive: **Inventions, Patents and Their Commercialization Regulations**

9.8.1 Where any Inventions whatsoever have been arrived at in the course of research performed in the framework of an agreement between the University and any other Corporation/Corporations and in cooperation between a Researcher or Researchers belonging to the University and a Researcher or Researchers belonging to any other Corporation/Corporations, ownership of the Inventions will be granted to all or some of the parties to the agreement, all as shall be determined on this matter in the agreement, with the share of ownership of the Inventions of each of the parties entitled to part of the ownership being at the rate determined in the agreement.

9.8.2 Where any Inventions whatsoever were arrived at in the course of research performed in the framework of cooperation created under a personal relationship between a Researcher or Researchers belonging to the University and a Researcher or Researchers belonging to any other Corporation/Corporations, ownership of the Inventions will be granted to the University and the other Corporation/Corporations, with the share of ownership of the Inventions of each of them being at the rate determined by the Researchers.

Subject to anything stated otherwise in any agreement as stated in Regulation 9.8.1 above, the provisions of these Regulations will apply, if relevant, (and subject to the provisions of this Regulation 9.8) to Inventions arrived at during research studies that this Regulation refers to, including (but not only), the provisions of these Regulations referring to the distribution of revenues and Shares (with respect to the University's share in the Inventions, or Ramot's share in the Inventions, to the extent that the University transferred its share therein to Ramot).

The term "Researchers" in this Regulation 9.8 means: with reference to the University, a Researcher or Researchers (within the meaning of these Regulations); and with reference to any other Corporation, a person engaged in research in the framework of the other Corporation, and respecting this Chapter, a person engaged in research in the framework of any other Corporation will be regarded as a person belonging to the same Corporation.

10. Duty of reporting on Inventions:

10.1 ---

An Inventor who is an Employee or a Ramot Employee, who believes that any Invention whatsoever arrived at by such person alone or together with

Name of Directive: **Inventions, Patents and Their Commercialization Regulations**

any other or others, during the period in which he was an Employee or a Ramot Employee, is an Invention with commercial potential, may act to promote the commercial exploitation of the Invention, whether the Invention was arrived at during his employment at the University or at Ramot or during performance of any Outside Work whatsoever or during his employment or activities on sabbatical or leave (whether paid or unpaid), whether it is a Service Invention or any other Invention.

An Inventor who chose to act to promote the commercial exploitation of the Invention must notify Ramot in writing regarding the Invention using a form (all his particulars having been completed by the reporting party) as in the example presented in **Appendix C** of these Regulations.

10.2 For the avoidance of doubt, it is clarified that an Inventor not interested in the commercial exploitation of an Invention arrived at is not obligated to report under these Regulations on the Invention, and therefore the provisions of Regulations 15, 16 and 17 of these Regulations will also not apply to such Invention.

10.3 An Inventor who is not an Employee or Ramot Employee, believing that any Invention whatsoever arrived at by such person alone or together with any other or others: (i) with reference to a former Employee who was a Researcher and whose work was research or a former Ramot Employee who was a Researcher – in the period of the year commencing on the date of termination of the employment relationship between him and the University or, as the case may be, between him and Ramot; (ii) with reference to a Student, Pensioner, guest scientist or any other person whatsoever, including, if relevant, an undergraduate student – in the period in which such person exploited University Resources (except with respect to an undergraduate student, where such exploitation does not exceed Use of the University's Physical Resources Only) – is an Invention with commercial potential – must notify Ramot in writing regarding the Invention using the form (all his particulars having been completed by him) as in the example presented in **Appendix C** of these Regulations, whether the Invention is a Service Invention or whether the Invention is not a Service Invention.

11. Reporting on Joint Inventions:

Where a Joint Invention has been arrived at, then:

11.1 To the extent that all or part of the Inventors that contributed to arriving at the Joint Invention are Employees, notice with respect thereto will be delivered as stated in Regulation 10 above by the Relevant Principal Investigator or the Relevant Principal Investigators, and in such case the notice will include a list of names of all the Inventors who contributed to arriving at the Joint Invention and the proportionate contribution (in

Name of Directive: **Inventions, Patents and Their Commercialization Regulations**

percentages) to arriving at the Joint Invention, agreed between them, that must be ascribed to each of them.

In the absence of any consent between them, this shall be noted in the notice, and in such case the Relevant Principal Investigator or the Relevant Principal Investigators will determine in the notice the proportionate contribution to arriving at the Joint Invention that in his or their opinion must be ascribed to each of the Inventors. In the case of any differences of opinion between the Relevant Principal Investigators with respect to such ascription, this should be noted in the notice and each of them will note the proportionate contribution to arriving at the Joint Invention which in his opinion should be ascribed to each of the Inventors.

11.2 The principal Investigator or, as the case may be, the principal Investigators, will ensure the following:

(i) each of the Researchers that participated in the research in the course of which the Joint Invention was arrived at, whether or not his name was included in the list of Inventors included in the notice delivered with respect thereto, will receive a copy of the list;

(ii) each of the Inventors whose name was included in the aforesaid list will receive a copy of the notice; and also

(iii) the copies will be delivered to those entitled to them as soon as possible to delivery of the notice to Ramot; or

11.3 To the extent that all of the Inventors who contributed to arriving at the Service Invention are not Employees, a notice will be delivered by each separately on the Joint Invention pursuant to Regulation 10 above, and the notice will state the names of the additional Inventors who contributed to arriving at the Service Invention. Where the Inventors are agreed on the proportionate contribution of each of them in arriving at the Invention, this should be noted in the notice with particulars of the proportionate contribution (in percentages) of each of them, as agreed as aforesaid. Where the Inventors are not agreed as to the proportionate contribution, the sender of the notice will state in the notice what in his opinion is his proportionate contribution (in percentages) to arriving at the Invention.

12. Date of giving notice of Invention and Ramot's response to the notice:

12.1 Notice of an invention pursuant to Regulation 10 or Regulation 11 above will be delivered by the person under a duty to deliver, as soon as possible

Name of Directive: **Inventions, Patents and Their Commercialization Regulations**

after the date on which the Relevant Inventor or Relevant Inventors arrived at the Invention.

- 12.2 Where Ramot has received such notice as stated in Regulation 12.1 above, with respect to any Invention whatsoever, Ramot will deliver to the sender of the notice by no later than the expiration of 60 days from its receipt, its response to the notice. Ramot will state in the framework of its response, if relevant, the measures taken by it, or which it intends to take, with respect to the Invention forming the subject of the aforesaid notice, such as examining the probability of commercialization of the aforesaid Invention and examining the option of protecting the intellectual property embodied therein, or making preparations prior to filing a patent on account thereof.

Where Ramot has received a notice with respect to an Invention in which it states, as stated in Regulation 13.1 below, that the Invention is not a Service Invention, then Ramot will deliver its response with respect to the Invention only if it is determined by the Committee, as stated in Regulation 13.3 below, that the Invention is a Service Invention; and in such case, the period of 60 days for delivery of Ramot's response to the notice on the Invention will commence on the date on which Ramot received from the Committee, as stated in Regulation 13.3 below, a notice on the decision according to which the Invention is a Service Invention.

Where no response is received from Ramot in the course of 60 days, the provisions of Regulations 9.5 – 9.6 of these Regulations will apply to the Invention.

13. A claim by an Inventor or Inventors that an Invention on which a notice according to this Chapter was delivered, is not a Service Invention:

- 13.1 Where an Inventor or Inventors believe that the Invention with respect to which a notice was delivered to Ramot as stated in this Chapter of the Regulations, is not a Service Invention, this will be noted in the notice (or in a separate notice to Ramot to be delivered as soon as possible following the notice) together with details of the grounds to support the view of the Inventor or Inventors in the claim that the Invention is not a Service Invention.
- 13.2 Where Ramot has received a notice delivered pursuant to Regulation 10 or Regulation 11 above in which it was claimed that the Invention forming the subject of the notice is not a Service Invention, or Ramot received a separate notice pursuant to Regulation 13.1 above in which it was claimed that the Invention forming the subject of the notice is not a Service Invention, Ramot will transfer to the Committee a copy of the notice and

Name of Directive: **Inventions, Patents and Their Commercialization Regulations**

to the extent relevant, of the separate notice delivered following the notice, together with all the documents appended to the notice or notices.

13.3 Where the Committee has received, as stated in Regulation 13.2 above, a copy of the notice delivered to Ramot pursuant to Regulations 10 or 11 or 13.1 of these Regulations, the Committee will determine whether the Invention forming the subject of the notice is or is not a Service Invention. As part of its considerations, the Committee will consider, *inter alia*, and without derogating from its powers under Regulation 8.1 above, the grounds mentioned in the notice in support of the claim that the aforesaid Invention is not a Service Invention. Where the Committee has adopted a decision under this Regulation, it will notify Ramot and the Relevant Inventor or the Relevant Inventors of its decision in writing. The Committee will deliberate with respect to the notice within 30 working days of the date of its receipt.

14. Objections and determinations relating to specific matters referring to Joint Inventions and Inventions arrived at in various research studies that were commercialized together:

14.1 ---

14.1.1 A Researcher believing he is one of the Inventors of a Joint Invention with respect to which a notice was delivered pursuant to Regulation 11.1 above and whose name does not appear in the list of Inventors included in the notice, may object before the Committee about non-inclusion of his name in the list, provided that he does so in writing and within 14 days of the date on which he was delivered a copy of the list.

Where the Committee has accepted the Researcher's objection, the Committee will determine his proportionate contribution (in percentages) to arriving at the Joint Invention and the necessary adjustment to the rate of the proportionate contribution to arriving at the Joint Invention of each of the Inventors whose name was included in the list (to the extent this rate was determined as stated in Regulation 11.1 above).

The provisions of this Regulation 14.1.1 will apply, *mutatis mutandis*, also in the event it becomes apparent, from the notices delivered as stated in Regulation 11.3 above, with respect to any Joint Invention whatsoever, that there is any lack of agreement between the senders of the aforesaid notices as to his being (or as to several of them being) the Inventors of the Joint Invention. Accordingly, the Committee will determine whether to include the senders of the notice with respect to whom there is any lack

Name of Directive: **Inventions, Patents and Their Commercialization Regulations**

of agreement, or who or which of them in the list of Inventors of the Joint Invention.

14.1.2 An Inventor disagreeing with the rate of the proportionate contribution ascribed to him in the notice delivered on the Joint Invention, as stated in Regulation 11.1 above, as this rate was determined in the notice by the relevant Principal Investigator or relevant Principal Investigators, may object before the Committee on the aforesaid determination, provided that, he does so in writing within 30 days of the date on which he was delivered a copy of the notice. Where the Committee has accepted the objection of the Inventor, the Committee will determine his proportionate contribution to the achievement of the Joint Invention and the necessary adjustment required to be made further to such determination to the rate of the proportionate contribution to the achievement of the Invention of the Inventors whose name was included in the list of Inventors included in the notice.

14.1.3 (i) Where it is noted in the notice on a Joint Invention delivered pursuant to Regulation 11.1 above that there are disagreements between the relevant Principal Investigators in relation to the proportionate contribution to arriving at the Joint Invention that should be ascribed to each of the Inventors who contributed to its achievement, or

notices were delivered on a Joint Invention pursuant to Regulation 11.3 above, from which it appears that there is no consent between the Inventors of the Joint Invention with respect to the proportionate contribution that should be ascribed to each of them in connection with arriving at the Joint Invention (and in this regard, non consent will also be regarded as a case where it becomes apparent that there is a dispute between the senders of the notices concerning one of them or several of them being Inventors of the Joint Invention), the Committee will determine the proportionate contribution to be ascribed to each of the Inventors of the Joint Invention to which the provisions of paragraph (i) apply, or, as the case may be, paragraph (ii) of this Regulation 14.1.3.

The Committee will notify Ramot in writing of any decision adopted by it and which alters any particulars whatsoever delivered in the notice on any Joint Invention whatsoever. The Committee will also notify the relevant Researcher in writing, or as the case may be, the relevant Inventor, of any decision adopted by it as stated in Regulations 14.1.1 to 14.1.2 above (inclusive).

Name of Directive: **Inventions, Patents and Their Commercialization Regulations**

14.2 Where the Committee has accepted, according to the provisions of Regulation 21 below, a copy of the notice delivered to Ramot by the Principal Investigators who headed the research in which the specific Relevant Inventions were arrived at, according to which they did not reach any consent between themselves concerning the (total) relative weight to be ascribed to each of the Relevant Inventions arrived at in the course of each of the research studies, the Committee will determine the (total) relative weight and will notify Ramot of its determination with a copy to the Principal Investigators and the Inventors of the Relevant Inventions. Respecting this Regulation 14.2, the term “Relevant Inventions” means, as defined in Regulation 18.1 below.

Chapter Four:

Duties of Inventors and Researchers Relating to Patents With Respect to Service Inventions, Commercialization of Service Inventions and Publication

15. Duties relating to patents:

Where Ramot has decided to file a patent application in Israel and/or in any other country or countries with respect to any Service Invention about which reporting to Ramot is required as stated in Regulation 10.1:

- 15.1 The Inventor of the Service Invention will deliver to Ramot, at its request, from time to time, all the details relating to the Service Invention and any material or information in his possession that Ramot will require for the preparation, filing and handling of the patent application, patent applications and granted patents with respect to the Service Invention;
- 15.2 The Inventor of the Service Invention will sign, at Ramot’s request, from time to time, any document on which his signature is required, or will be necessary, in Ramot’s opinion, at its discretion, to enable Ramot to file a patent application or patent applications, with respect to the Service Invention;
- 15.3 The Inventor of the Service Invention will sign a patent agreement in connection with the Service Invention; and also
- 15.4 The Inventor of the Service Invention will assist Ramot, at its request, from time to time, to protect the patent applications and the patents received thereunder, and to enforce Ramot's rights under the patents, all insofar as this concerns matters within his area of expertise.

Name of Directive: **Inventions, Patents and Their Commercialization Regulations**

All expenses incidental to the preparation and handling of the patent applications, and the receipt, maintenance and protection of the patent to be granted thereunder, and enforcement of Ramot's rights thereunder, will be borne by Ramot and nothing stated in this Chapter above will be interpreted as imposing on any Inventor or Researcher a duty to bear any expense whatsoever in connection with performance of the duties imposed on him under this Chapter of the Regulations.

16. Assistance relating to commercialization:

- 16.1 An Inventor of a Service Invention will, to the best of its ability and if so requested from time to time by Ramot, assist Ramot in Ramot's efforts to interest relevant commercial entities, identified by Ramot, in engaging with Ramot in connection with commercialization of a Service Invention. The Inventor shall do so by presenting the Service Invention before them and providing the explanations requested by them with respect to the Service Invention; and also
- 16.2 If Ramot enters into, or is preparing to enter into, a research and license agreement with any commercial entity, the Researchers assigned to perform the research under the agreement will sign, at the request of Ramot, an agreement with Ramot entitled a Team Agreement, regulating the mutual obligations and rights of the parties in connection with the research and license agreement, the research to be conducted under the agreement and the Service Inventions to which the agreement relates.
- 16.3 The foregoing in this Chapter of the Regulations does not derogate from any undertakings imposed on any Inventor or on any Researcher pursuant to a patent agreement to which he is a party as stated in Regulation 15.3 and/or a Team Agreement to which he is a party as stated in Regulation 16.2 above.

17. Confidentiality

- 17.1 The University, being an academic institution based on the principle of academic freedom, is obligated to enable, and even encourage, its researchers to publish the results of their research in scientific publications and at conferences. However, in order to protect the rights of the University and the Inventor with respect to Service Inventions, the right of publication is subject to the following provisions.

The Inventor of a Service Invention to whom a duty of reporting under Regulations 10.1 and 10.3 above applies, must keep confidential all information not in the public domain, relating to the Service Invention, including information concerning the development process of the Service Invention prior to its actual creation. To prevent any potential damage to

Name of Directive: **Inventions, Patents and Their Commercialization Regulations**

the commercialization potential of the Service Invention, an Inventor or Researcher having any doubt on any matter concerning the duty of confidentiality, will consult Ramot on this matter via the R&D Vice President prior to Publication, as defined in Regulation 17.2 below.

- 17.2 Notwithstanding the foregoing in Regulation 17.1, an Inventor may publish articles relating to the Service Invention in scientific journals or present posters relating to the Service Invention at scientific conferences, or lecture about the Service Invention at scientific conferences, with the prior approval of the R&D Vice President (in this Regulation 17, “**Publication**”).

In the absence of such prior approval, the Inventor will be able to publish information about the Service Invention only upon the expiration of 60 days (in this Regulation 17, “**Delay Period**”) after the date on which the Inventor of the Service Invention delivered a notice in writing to Ramot via the R&D Vice President (in this Regulation 17, “**Publication Notice**”) about his intention to publish the Publication. The Inventor will attach to the Publication Notice a draft of the designated Publication.

- 17.3 During the Delay Period Ramot will do its utmost to file a suitable patent application in connection with the Service Invention, to the extent it is patentable. Where the Service Invention is not patentable – Ramot will negotiate with the sender of the Publication Notice during the Delay Period, with the goal of reaching consent on the changes in the content of the Publication forming the subject of the Publication Notice that will prevent or reduce as far as possible damage to the probability of commercialization of the Service Invention. Where such consent is reached, the sender of the Notice will alter the content of the designated Publication pursuant to such agreement.
- 17.4 Where Ramot has filed a patent application relating to the Service Invention during the Delay Period, the sender of the Publication Notice may publish the Publication; and in any event it is hereby clarified that in no event will the Publication be delayed for a period exceeding the Delay Period unless the Inventor agreed to the extension thereof.

Chapter Five:

Distribution of Revenues and Shares Received From Commercialization of Service Inventions

18. Distribution of revenues received by Ramot:

Name of Directive: **Inventions, Patents and Their Commercialization Regulations**

18.1 In this Regulation 18, the following terms will have the meaning appearing opposite them, as follows:

- “Relevant Inventions”** Any Service Inventions commercialized by Ramot in the framework of any specific agreement.
- “the Relevant Inventors”** With respect to any Relevant Inventions—the Inventor of the Relevant Inventions, to the extent they were all arrived at by one Inventor or the Inventors of the Relevant Inventions, to the extent they were arrived at, wholly or partially, by various Inventors (whether or not they are wholly or partially Joint Inventions).
- “Total Gross Receipts”** With respect to any Relevant Inventions—the total (gross) amount of royalties, license fees, option fees for receipt of a license and any other amounts (either paid in connection with sales, or paid in connection with the grant of licenses or sublicenses, or paid in connection with the sale of rights), actually received by Ramot in connection with the commercialization of the Relevant Inventions. For the avoidance of doubt, it is clarified that research grants, research funding and monies constituting a reimbursement of expenses are not included in the term “total receipts”.
- “Total Expenses”** With respect to any Relevant Inventions – the total amount of out of pocket expenses the University and/or Ramot bore in connection with the Relevant Inventions, the proceedings in the Patents Committee that took place with respect thereto, the patent applications that were filed with respect thereto, the patents issued thereon, maintenance of the applications and patents, enforcement of Ramot’s rights thereunder, the efforts of Ramot to commercialize the Relevant Inventions, collection of any amounts due to Ramot on account of the Total Gross Receipts relating to the Relevant Inventions, whether the

Name of Directive: **Inventions, Patents and Their Commercialization Regulations**

expenses constitute payment of attorneys' fees, patent attorneys' fees or the fees of any other experts whatsoever, or other expenses of any kind or category, and including taxes or other compulsory payments imposed on Ramot under the provisions of any law, excluding Israeli law, in connection with its revenues from commercialization of the Relevant Inventions and excluding expenses Ramot bore in connection with the Relevant Inventions and which were reimbursed to Ramot.

“Total Net Receipts”

With respect to any Relevant Inventions – the Total Gross Receipts relating to the Relevant Inventions after deduction of Total Expenses relating to the Relevant Inventions and after deduction of an amount equal to 5% of the Total Gross Receipts, which is made as participation in Ramot's indirect expenses in connection with the commercialization of the Relevant Inventions, and after deduction, if relevant, of any amount calculated on the basis of the Total Gross Receipts paid to any third party in connection with the Relevant Inventions.

18.2 The Total Net Receipts received by Ramot in connection with the commercialization of any Relevant Inventions will be distributed by Ramot as promptly as possible, as follows:

18.2.1 An amount equal to 40% of the Total Net Receipts will be paid by Ramot to the Relevant Inventors of the Relevant Inventions (jointly), with each Relevant Inventors' share in the aforesaid amount calculated according to his contribution to the Relevant Inventions (as determined in accordance with these Regulations), and taking into account, if relevant, the suitability of such a share deriving from the weight to be accorded as stated in Regulation 21 below (subject to the foregoing in Regulation 14.2 above), of the specific part of the Relevant Inventions that he contributed to the arrival thereof, in all the Relevant Inventions. Alternatively, each of the Inventors may choose by written notice to be delivered to Ramot, that the amount constituting the share of the sender of the notice in the 40% or part thereof will be paid by Ramot to the University and will constitute a research budget to

Name of Directive: **Inventions, Patents and Their Commercialization Regulations**

be at the disposal of the aforesaid Inventor and which will be managed by the University's Research Authority.

18.2.2 An amount equal to 60% of the Total Net Receipts will be transferred by Ramot to the University.

18.2.3 The University will dedicate one third (1/3) of the foregoing amount in Regulation 18.2.2, equal to 20% of the Total Net Receipts, to research purposes as set forth below:

(i) Half of this amount (10%) will be transferred by the University to a separate budget for the R&D Vice President, and will be directed to development and financing of research infrastructures.

(ii) The second half of this amount (10%) will be divided between the Relevant Inventors that are members of the senior academic staff or Pensioners that are active Researchers at the University, according to their proportionate share in the Relevant Inventions, as a research budget. The cumulative amount to be allocated to each of the Relevant Inventors will not exceed a total of One Million United States Dollars or any other amount as shall be updated from time to time by the President, in consultation with the R&D Vice President.

(iii) If, after the distribution of the foregoing amounts in Sub-Regulation (ii) above, surplus amounts remain, they will be transferred to the R&D Vice President's budget.

(iv) The R&D Vice President will allocate the amounts to be transferred to his budget as stated in Sub-Regulations (i) and (iii) above, at his discretion, with emphasis on development and financing of the University research infrastructures.

(v) The foregoing budgets in this Regulation 18.2.3 will be administered by the Research Authority.

19. Distribution of revenues received from commercialization of a Service Invention where the ownership therein was vested in the Inventor under the provisions of Regulations 9.5 - 9.6 above:

19.1 In this Regulation 19, the following terms will have the meaning appearing opposite them, as follows:

“Released Invention” A Service Invention, with the ownership therein vested in the Inventor of the Service

Name of Directive: **Inventions, Patents and Their Commercialization Regulations**

Invention pursuant to the foregoing in Regulations 9.5 – 9.6 above.

**“Total Gross Receipts”,
“Total Expenses” and
“Total Net Receipts”**

As these terms are defined, in order, in Regulation 18.1 above, subject to the fact that with respect to this Regulation 19, the aforesaid definitions will be read as if the words “any Relevant Inventions” or “the Relevant Inventions” appearing in the definitions were replaced by the words “any Released Invention” or, as the case may be, “the Released Invention”, as if the word “Ramot” appearing in the definitions, was replaced by the words “Inventor of the Released Invention”.

19.2 An Inventor of any Released Invention will transfer to Ramot an amount equal to 20% of the Total Net Receipts and/or of the Shares that were received by him, or by his relative (spouse, parent, grandparent or child of the Researcher or a child of his spouse, or a spouse of any of the aforesaid) in connection with the commercialization of the Released Invention, all as set forth in the agreement to be signed between him and Ramot as stated in Regulation 9.5.2 above. Ramot will transfer to the University the amounts it will receive pursuant to this Regulation 19.2, and will hold in trust for the University (under the conditions set forth in Regulation 20.1.3 below) the Shares it received pursuant to this Regulation 19.2.

20. Distribution of Shares received in the framework of an agreement with a commercial entity that received a license from Ramot for commercial exploitation of Service Inventions:

20.1 Where Ramot entered into a license agreement or research and license agreement with any commercial corporation (the “**Corporation**”) with respect to any Service Inventions, and in the framework of the agreement Ramot was offered Shares in the Corporation, then:

20.1.1 (i) the Relevant Inventors of the Service Inventions will be entitled to receive (jointly) 40% of the shares offered to Ramot as aforesaid (and if Ramot was offered more than one class of shares – then the Relevant Inventors will be entitled to receive (jointly) 40% of any class of shares offered to Ramot), where the share of each of them in the shares to which they are jointly entitled, as stated above, will be according to his contribution to the Service Inventions (to be determined, as aforesaid in these

Name of Directive: **Inventions, Patents and Their Commercialization Regulations**

Regulations) and taking into account, to the extent relevant, the suitability of such share deriving from the weight to be accorded as stated in Regulation 21 below (subject to the foregoing in Regulation 14.2 above), the specific part of the Service Inventions that he contributed to arriving at such Inventions, in all the Service Inventions. For the purpose of this Regulation 20.1.1, the term the “Relevant Inventions” has the meaning set forth in Regulation 18.1 above, where for the purpose of this Regulation 20.1.1, the aforesaid definition will be read as if the reference appearing herein to the Relevant Inventions is reference to the Service Inventions, all subject to the provisions of Regulation 20.1.1(ii) below.

(ii) If at Ramot’s discretion, it is desirable, in the circumstances of the transaction in which Ramot was offered Shares, that part of the Shares that the Relevant Inventors are entitled to (jointly) as stated above (*i.e.*, the 40% mentioned in Sub-Regulation 20.1.1 (i) above), will be held by Ramot, then in the absence of any other agreement between the Relevant Inventors and Ramot, Ramot may, despite the provisions of Sub-Regulation 20.1.1(i) above, provided that written approval thereof is obtained from the R&D Vice President, hold the Shares in Ramot's name in trust for the Relevant Inventors, until the date of the first IPO of the Corporation’s Shares (subject, to the extent it is relevant, to any lock-up period, *i.e.*, prohibition on sale of the Corporation’s shares) or until any other event in which Shares were sold, such as an acquisition offer, Share exchange and the like, or until an earlier date decided upon by Ramot, at its discretion.

It is clarified that a distribution of shares to the Relevant Inventors will be made to the Relevant Inventors as of the date of distribution. Accordingly, any changes in the identity of the Relevant Inventors will not affect the distribution of shares performed before such changes took place.

- 20.1.2 The University will be entitled to 40% of the Shares offered to Ramot (and if more than one class of Shares is offered to Ramot – then the University will be entitled to receive 40% of any class of Shares offered to Ramot). The Shares to which the University is entitled will be held by the University directly, or by Ramot in trust for the University, all as to be agreed on this matter between the University and Ramot.
- 20.1.3 Ramot will hold in trust for the University, the remaining 20% of Shares offered to Ramot, until the sale of the Shares held, as aforesaid, by Ramot and in the event of sale, Ramot will transfer

Name of Directive: **Inventions, Patents and Their Commercialization Regulations**

to the University the (net) consideration received by Ramot in the sale and the University will use this consideration for the purposes, in the amounts and in the manner set forth in Regulation 18.2.3 above with respect to 20% of the Total Net Receipts that the aforesaid Regulation refers to.

- 20.2 Where Ramot held, by virtue of any of the provisions of Regulation 20.1 above, Shares in any Corporation whatsoever in trust for any Relevant Inventors whatsoever, or for the University, Ramot will be entitled to use the voting rights and any other rights vested in the Shares held by it in trust as aforesaid, as if they were fully owned by it without any trust; provided that, such use does not deny Ramot the ability to perform the trust conditions set forth in the aforesaid provision, and also subject to Ramot using any amount of dividends it receives on account of the Shares held by it in trust, as if the aforesaid amount was Total Net Receipts (as defined in Regulation 18.1 above), that is to say, they will be distributed pursuant to the provisions of Regulation 18.2 above.

Where Ramot has received with respect to Shares held by it in trust, as aforesaid, bonus shares, options or other benefits whatsoever, excluding a cash benefit with respect to which the foregoing will apply with respect to dividends, the bonus shares, options or other benefits will be held in trust for and under the conditions according to which the Shares are held in trust with respect to which such benefits were distributed or given.

- 20.3 It is hereby clarified, for the avoidance of doubt, that an Inventor, that with the approval of the University - if such approval is required according to University procedures – is employed by a Corporation and in such framework he arrived at and/or developed an Invention and is entitled, pursuant to his employment agreement and in consideration for his employment at the Corporation, to Shares in the Corporation, he shall be entitled to Shares and the provisions of this Chapter referring to Shares of the Corporation will not apply to the Shares, that is to say, they will only apply with respect to Shares offered to Ramot as stated in the opening part of Regulation 20 above.

21. Relevant Inventions arrived at in the framework of various research studies:

In the event that any Relevant Inventions consist of Inventions that were partly arrived at in the course of one research study, and partly arrived at in the course of any other research study or other research studies, the relevant Principal Investigators who headed each of the research studies will determine the (total) relative weight of each part of the Relevant Inventions arrived at in the course of each of the research studies, out of all of the Relevant Inventions, and will notify Ramot of such. In the event the Principal Investigators fail to reach a

Name of Directive: **Inventions, Patents and Their Commercialization Regulations**

written agreement on the relative weight, they will notify Ramot in writing with a copy to the Committee, and in such case the Committee will determine the relative weight. Where the (total) relative weight of the Relevant Inventions out of all the Relevant Inventions has been determined either by the consent of the Principal Investigators or by the Committee, as stated in Regulation 13.2 above, the share of the Relevant Inventors in the Relevant Inventions will be adjusted accordingly. For the purpose of this Regulation 21, the terms “Relevant Inventions” and “Relevant Inventors” means as defined, in order, in Regulation 18.1 above.

Chapter Six:

Protection of Inventions and Patents of the University at the Time of Performance of Outside Work, Sabbatical or Unpaid Leave

22. General preamble:

22.1 For the purpose of this Chapter, “**Employee**” – an Employee who is a Researcher and engaged in research.

22.2 The University encourages its Employees to act with all their energy for the theoretical and practical development of the fruits of their research work. Sometimes these developments are performed outside the University in the framework of performing Outside Work, or leaving on sabbaticals and unpaid leave. In such cases the Employee is likely to invent or develop inventions that are not Service Inventions, and therefore the University has no rights with respect thereto. However, there is also the likelihood that during performance of Outside Work, a sabbatical or unpaid leave the Employee will invent or develop Inventions that – even partially – were invented or developed in consequence of his service at the University or while using Service Inventions, and therefore the University has a right of ownership over them.

As a general rule, the University relies on its Employees’ duty of loyalty, and on their discretion to safeguard its rights. However, since matters of Inventions and patents at the time of activities outside the University are likely to be complicated, the Employees are required to have a duty of care to prevent violation of the University’s rights. This Chapter of the Regulations is designed, *inter alia*, to outline rules of conduct for upholding this duty.

The Regulations distinguish between two situations: **the first**, a sabbatical, leave (paid or unpaid) or Outside Work at a Nonprofit Institution, for example, another university in Israel or abroad, **the**

Name of Directive: **Inventions, Patents and Their Commercialization Regulations**

second, a sabbatical, leave (paid or unpaid) in a company or other for-profit entity, such as a Commercial Company.

23. Nonprofit Institution

23.1 Duty of reporting

An Employee intending to go on sabbatical or leave (paid or unpaid) at a Nonprofit Institution, or to enter into a consulting agreement or an agreement for the performance of any other Outside Work with a Nonprofit Institution, will submit to the R&D Vice President, before the Employee leaves on such sabbatical or leave, or performance of such aforesaid agreement, a declaration in the form attached as **Appendix D1** of these Regulations in which, *inter alia*, the identity of the relevant institution and the nature of the Employee's activities within the framework of this institution will be described. The Employee is required to report any change in the issues addressed in **Appendix D1**, immediately upon the occurrence of such change.

Furthermore, at the expiration of each year of the Employee's activities outside the University at a Nonprofit Institution, as well as upon the Employee's return to his regular activities at the University, the Employee will complete the declaration of activities report in the form presented in **Appendix E** of these Regulations. Members of the academic staff will be notified of any change in the form of **Appendices D1** and **E** 60 days' prior to the effective date of the change. The change will be described in the notice.

23.2 Duty to request prior approval in specific cases:

An Employee intending to leave on sabbatical or leave (paid or unpaid) at a Nonprofit Institution or to enter into a consulting agreement or agreement for the performance of any other Outside Work with a Nonprofit Institution and required by the hosting institution to sign documents according to which the hosting institution (or other entity) is granted any proprietary right to Inventions arrived at, wholly or partially, by the Employee, alone or together with any other or others, during the Employee's designated activities at such institution, is obligated to request the R&D Vice President's prior written approval before signing any such document.

The Employee will provide, along with the request for approval under this Regulation, a short description of the planned research as well as a copy of all the documents relating to intellectual property which he is required to sign.

Name of Directive: **Inventions, Patents and Their Commercialization Regulations**

If the R&D Vice President does not approve the Employee's request as stated in this Regulation, the R&D Vice President will take steps to regulate the issue of intellectual property, including, insofar as is relevant, signing an intellectual property agreement with such institution, as described in Regulation 23.3 below.

23.3 **Intellectual property agreements with a Nonprofit Institution:**

Without derogating from the Employee's duty as stated in Regulations 23.1-23.2, the R&D Vice President will aim to sign intellectual property agreements, in the form attached as **Appendix F** of these Regulations, with Nonprofit Institutions in which research or other activities are conducted that are likely to lead to Inventions and the development of intellectual property by the Employee, alone or together with any other or others, for the sake of preventing transfer or loss of intellectual property and which will protect the interests of the University and of Ramot in connection with the intellectual property.

For the avoidance of doubt, it is clarified that not signing an intellectual property agreement as stated in this Regulation will not delay the beginning of the Employee's sabbatical, leave (paid or unpaid) or Outside Work, provided that he acted in accordance with Regulations 23.1 – 23.2 above.

24. **Commercial Company:**

24.1 **Duty of reporting:**

An Employee intending to leave on sabbatical or leave (paid or unpaid) in a Commercial Company or to enter into a consulting agreement or an agreement for the performance of any other Outside Work with a Commercial Company will submit to the R&D Vice President before the Employee leaves on such sabbatical or leave or execution of such agreement, a declaration in the form attached as **Appendix D2** of these Regulations in which he shall set forth, *inter alia*, the identity of the relevant Commercial Company and the nature of the Employee's activity in the framework of this company. The Employee will be required to report any change in the issues described in Appendix D2 immediately upon the occurrence of such change.

Furthermore, at the end of each year of the Employee's activities outside the University in a Commercial Company and also upon the Employee's return to his regular activities at the University, the Employee will complete an activities report declaration in the form presented in **Appendix E** of these Regulations.

Name of Directive: **Inventions, Patents and Their Commercialization Regulations**

Members of the academic staff will be notified of any change in the form of Appendices D2 and E 60 days prior to the effective date of the change. The change will be described in the notice.

24.2 Duty to request approval in the event of a suspected conflict of interest:

An Employee is obligated to request the R&D Vice President's prior written approval before entering into an agreement with a Commercial Company, the performance of which is likely to place him in a conflict of interest with respect to Service Inventions relevant to the engagement, or with respect to Service Inventions that may be developed during the term of the agreement.

A request under this Regulation will be made at least 45 days prior to the planned date for the start of the Employee's sabbatical, leave and/or the commencement of the agreement.

An initial reply to the request submitted under this Regulation will be given by the R&D Vice President within 14 working days of the date of receipt thereof.

24.3 Duty to request prior approval in specific cases:

To prevent, *inter alia*, a situation in which an Employee will assign, without authorization, the University's intellectual property and without derogating from the provisions of Regulation 24.2 above, in each of the following cases an Employee is obligated to request the R&D Vice President's prior written approval for an agreement that addresses intellectual property that may be created during performance of Outside Work or in the course of the Employee's activities on a sabbatical or leave (paid or unpaid):

(i) When according to the rules of the Commercial Company or its affiliated entity, proprietary rights in Inventions arrived at by the Employee, alone or together with any other or others, in the course of his activities in the Commercial Company, or that are made while exploiting the Commercial Company's resources, are granted to someone other than the University or Ramot.

(ii) When according to the terms of an agreement with a Commercial Company, or under law, proprietary rights in Inventions arrived at by the Employee, alone or together with any other or others, in the course of his activities in the Company, or that are made while exploiting the

Name of Directive: **Inventions, Patents and Their Commercialization Regulations**

Commercial Company's resources, are granted to someone other than the University or Ramot.

- 24.4 The Employee will attach to his request under Regulations 24.2 and 24.3 above the following:
- (1) A copy of the Employee's request filed pursuant to the relevant regulations of the University for the purpose of obtaining approval for departure on sabbatical or leave; and
 - (2) A copy of the draft consulting agreement or any other agreement that he intends entering into or of the employment agreement he intends entering into; and
 - (3) A copy of the relevant rules (relating to ownership of intellectual property) of the Commercial Company or an official letter from the Company summarizing such rules; in the event he is unable to obtain a copy of such rules or of such letter, he must state this explicitly in the request; and
 - (4) Additional relevant details relating to a personal conflict of interest in which the Researcher finds himself, if any (for example, personal holdings of his or of his relatives in the Commercial Company with which he is about to enter into an agreement).
 - (5) A copy of his declaration in the form in **Appendix D2** of the Regulations.
25. In cases as stated in **Regulations** 23.2, 24.2 and 24.3 with respect to which the R&D Vice President's approval has not been given, the Vice President may, at his discretion, bring the matter for a hearing before the Committee. Following the hearing the Committee will formulate a recommendation on the matter. The decision on the matter will be made by the R&D Vice President, at his discretion.
26. An Employee may object before the President about the decision of the R&D Vice President under Regulation 25, provided he does so within 14 working days of receipt of the Vice President's notice with respect to the decision. The decision of the President on the objection will be final.
27. Where the R&D Vice President has received from any Employee a request as stated in Regulations 23.2, 24.2 and 24.3 and no response to it was sent within 14 working days, the request will be deemed to be approved.
28. The R&D Vice President (or anyone on his behalf) may at any time demand supplementation of information and the transfer of data for the purpose of

Name of Directive: **Inventions, Patents and Their Commercialization Regulations**

determination of the University's position with respect to the intellectual property created or to be created in the course of the activities with respect to which the reports under Regulations 23.1, 24.1 and 24.4 refer.

The provisions of this Chapter of the Regulations will apply to Ramot Employees as if they were Employees.

Chapter Seven: General Provisions

29. The Priority of the provisions of these Regulations:

In the event of any contradiction or inconsistency between any of the provisions of these Regulations and any provisions of any other of the University's regulations or any provisions of any of the University's procedures – either existing or future regulations or procedures, either in their form on the date of commencement of these Regulations or in their form as they may be from time to time in the future – the provisions of these Regulations will prevail, unless and to the extent otherwise stated explicitly in any regulations, including an amendment to existing regulations, or in any procedure, including an amendment to an existing procedure, entering into effect after the date of entry into effect of these Regulations;

Subject to the foregoing in this Regulation 29, the provisions of these Regulations will not derogate from the provisions of any other regulations of the University or the provisions of any other of its procedures.

30. Appendices:

The final version of Appendices A and B will be determined by consent between the Inventor and Ramot, and the final version of Appendix F will be determined after negotiations between the University and the institution.

31. Application:

31.1 The provisions of these Regulations will enter into effect 60 days after the date of publication thereof.

31.2 These Regulations are in lieu of and replace the Inventions, Patents and Their Commercialization Regulations, Directive Number 01-003 (A) Regulations and the Patents Regulations, Directive Number 01-003 (the "**Previous Regulations**"), although the provisions of the Previous Regulations will continue to apply to any Invention in respect of which a notice was delivered to the competent entity prior to the date of publication of these Regulations, according to the Regulations in effect at the time of delivery of such notice.

Name of Directive: **Inventions, Patents and Their Commercialization Regulations**

31.3 The University may amend, add to or alter the provisions of these Regulations from time to time, including replacing these Regulations by other regulations, all as shall be decided from time to time by the University's competent institutions.

This version is an English translation of the Regulations published in Hebrew on the University's web-site. In the event of contradiction or inconsistency between this English version of the Regulations and the Hebrew version, the latter will prevail.

Name of Directive: **Inventions, Patents and Their Commercialization Regulations**

Appendix A: Patent Agreement

A sample version of the agreement may be found on the Ramot website

<http://www.ramot.org/Forms>

Name of Directive: **Inventions, Patents and Their Commercialization Regulations**

Appendix B: Assignment and Revenue Sharing Agreement

A sample version of the agreement may be found on the Ramot website

<http://www.ramot.org/Forms>

Name of Directive: **Inventions, Patents and Their Commercialization Regulations**

Appendix C: Invention Disclosure Form

A sample version of the document may be found on the Ramot website under the heading "IDF"

<http://www.ramot.org/Forms>

Name of Directive: **Inventions, Patents and Their Commercialization Regulations**

Appendix D1: **Declaration of Member of Staff Before Commencing Sabbatical / Unpaid Leave or Outside Work in a Nonprofit Institution***

First Name

Surname

I.D. no.

Faculty

1. Name of institution in which the activity will be performed: _____
2. Are you, within the scope of your activities at the institution, likely to be engaged in the development, creation or registration of inventions or patents?
Yes/No
(If your answer to this question and question no. 6 below is **no** – go to the end of the document and sign).

For the avoidance of doubt, you should notify the R&D Vice President and obtain his written approval prior to your signature on the documents granting the corporation in which the activity will be performed or another entity, rights in the intellectual property likely to be created by you.

Furthermore, in the event that during your stay at the host institution it becomes apparent to you that the research is directed at an area that is likely to bring about the development of intellectual property, you must notify the R&D Vice President in writing so that an agreement will be signed between the institutions.

3. Type of activity:
_____ sabbatical
_____ unpaid leave
_____ outside work
_____ other
4. Was an agreement signed between Ramot and the institution in connection with your activities?
Yes / No

(If the answer is **yes** – go to the end of the form and sign).

Name of Directive: **Inventions, Patents and Their Commercialization Regulations**

5. Description of the nature, area and scope of your designated research activity at the institution:

6. Were patent applications filed by Ramot and/or are there commercialization activities in Ramot relating to inventions (of which you are an inventor) that are related to your designated activity?

Yes / No

(if the answer is **yes** – please approach Ramot for continued handling *vis-à-vis* the institution).

7. Were you asked to sign an agreement granting the designated place of activity or any other entity that is not the University or Ramot, rights in the intellectual property to be created?

Yes / No

(if the answer is **yes** – please approach the R&D Vice President with a short description of the planned research and a copy of the documents addressing the intellectual property which you are required to sign at the other institution. The R&D Vice President may approve your signing such documents. If the R&D Vice President does not approve, the R&D Vice President will commence a procedure for the execution of a framework agreement with the host institution).

8. Will all or part of the designated activity be performed on the University premises?

Yes / No

9. Will University Resources be utilized within the scope of the activity? (see the definition in Regulation 1 of the Regulations).

10. Will results of your previous research studies at the University be used in the course of the activity?

Yes / No

I hereby confirm that I have read the Inventions, Patents and Their Commercialization Regulations and I hereby declare that I will uphold the provisions of the aforesaid Regulations in the course of my activity at the institution.

First Name

Surname

I.D. no.

Faculty

Date _____ **Signature** _____

Name of Directive: **Inventions, Patents and Their Commercialization Regulations**

* Pursuant to the foregoing, I confirm the activity of _____ at
the institution _____

Vice President, Research & Development

* Prior notice of any change in the form of this Appendix will be delivered to members of the academic staff 60 days prior to the effective date of the change.
The text of the planned change will be attached to the notice.

Name of Directive: **Inventions, Patents and Their Commercialization Regulations**

Appendix D2: Declaration of Member of Staff Before Commencing Sabbatical / Unpaid Leave or Outside Work at a Commercial Company

<u>First Name</u>	<u>Surname</u>	<u>I.D. no.</u>	<u>Faculty</u>
1. Name of the commercial company in which the activity will be performed: _____			
2. Are you, within the scope of your activities at the commercial company, likely to be engaged in the development, creation or registration of inventions or patents? <p style="text-align: right;">Yes / No</p>			
3. Type of activity: _____ sabbatical _____ unpaid leave _____ outside work _____ other			
4. Was an agreement signed between Ramot and the commercial company in connection with your activities? <p style="text-align: right;">Yes / No</p>			
5. Describe the activities of the commercial company and the connection to your areas of expertise at the University. Additionally, describe your designated function at the company (for example, member of consulting scientific committee, external consultant, etc.): <p style="text-align: right;">Yes / No</p> _____ _____			
6. Were patent applications filed by Ramot and/or are there commercialization activities in Ramot relating to inventions (of which you are an inventor) that are related to your designated area of activity? <p style="text-align: right;">Yes / No</p>			
7. Will all or part of the designated activity be performed on University premises? <p style="text-align: right;">Yes / No</p>			

Name of Directive: **Inventions, Patents and Their Commercialization Regulations**

8. Will University Resources be utilized within the scope of the activity? (See the definition in Regulation 1 of the Regulations).
9. Will results of your previous research studies at the University be used in the course of the activity?

Yes / No

Pursuant to the provisions of Regulations 24.2 and 24.3 of the Regulations, you must file a request for approval of the activity to the R&D Vice President together with the additional documents set forth in the Regulation, prior to commencement of your work at the commercial company.

I hereby confirm that I have read the Inventions, Patents and Their Commercialization Regulations and I hereby declare that I will uphold the provisions of the aforesaid Regulations in the course of my activity at the commercial company.

First Name

Surname

I.D. no.

Faculty

Date _____ **Signature** _____

- * Prior notice of any change in the form of this Appendix will be delivered to members of the academic staff 60 days prior to the effective date of the change.
The text of the planned change will be attached to the notice.

Name of Directive: **Inventions, Patents and Their Commercialization Regulations**

Appendix E: Annual Report Form of Member of Academic Staff on Sabbatical / Unpaid Leave/Outside Work*

First Name

Surname

I.D. no.

Faculty

Name of commercial company / institution at which the activity is being performed:

Was an agreement signed between Ramot and the commercial company /institution in connection with your activities?

Yes / No

You are requested to reply to the following questions. Please specify in the second part of the form in each case where the answer to one of the following questions is yes.

1. Were you involved during the last year in research or development in the course of which use was made of the University's intellectual property?

Yes / No

2. Were you involved during the last year in registration of a patent in the scope of your activity at the commercial company / institution?

Yes / No

Part Two: Particulars

Please present in this Part an explanation for each question from Part One that was answered yes. Please attach documents, if necessary.

First Name

Surname

I.D. no.

Faculty

Date _____ **Signature** _____

* Prior notice of any change in the form of this Appendix will be delivered to members of the academic staff 60 days prior to the effective date of the change. The text of the planned change will be attached to the notice.

Name of Directive: **Inventions, Patents and Their Commercialization Regulations**

Appendix F: INTELLECTUAL PROPERTY AGREEMENT
For Visiting Academic Researchers

This agreement is entered into on _____, 20__ by and between Tel Aviv University ("TAU") and _____ ("Institute"). Each of TAU and the Institute shall be referred to as a "**Party**" and collectively as "**Parties**."

WHEREAS, TAU and the Institute wish to facilitate exchanges of academic researchers for teaching and/or research programs and wish to set forth the principles governing new inventions and discoveries made by such visiting researchers.

NOW THEREFORE it is agreed as follows:

1. Definitions:

1.1. "**Home Institute**" shall mean the institute that is the permanent employer of the Visiting Researcher.

1.2. "**Host Institute**" shall mean the institute that hosts the Visiting Researcher.

1.3. "**Inventions**" shall mean any results, inventions and discoveries (including patents, copyright, designs and other intellectual property rights therein).

1.4. "**Visiting Researcher**" shall mean the academic researcher of the Home Institute that visits the Host Institute and participates in research and/or teaching programs at the Host Institute, for a limited period of time.

2. Each Party hereby represents that pursuant to law, its regulations and/or agreements between the party and its academic researchers, the rights and title in and to any Inventions made by its academic researchers, otherwise vesting in such academic researchers, vest in such Party, or in the case of TAU academic researchers – vest in Ramot at Tel Aviv University Ltd. ("**Ramot**").

3. Notwithstanding each Party's regulations, policies and practices with regard to Inventions of its own academic researchers and visiting academic researchers, the Parties agree that all rights to the Visiting Researcher's share in Inventions arrived at by the Visiting Researcher during the period of his or her research at the Host Institute shall vest jointly and equally in TAU and the Institute. For the sake of illustration, if a

Name of Directive: **Inventions, Patents and Their Commercialization Regulations**

Visiting Researcher's inventive interest in a certain Invention is 50% (while the other 50% are derived from the inventive interest of the Host Institute's researchers), then the right and title to such Invention will be divided: 75% to the Host Institute, 25% to the Home Institute.

4. All Inventions created, conceived or developed, either by the Visiting Researcher alone or together with others, during the period of his/her research at the Host Institute shall be disclosed by the Visiting Researcher to:

TAU: Ramot at Tel Aviv University Ltd. – Att: Patent Department

Institute: _____

5. If a jointly-owned Invention is created which the Parties feel could be of potential commercial value, an Inter-institutional Agreement (“**IIA**”) regulating the administration and commercialization of such Invention shall be negotiated in good faith and entered into by Ramot and the Institute. Unless otherwise agreed by the Parties, the Host Institute shall be the leading party and shall be responsible for the administration and the commercial exploitation of the Invention, as shall be more fully described in the IIA.
6. Each Party shall remain the owner of any intellectual property rights held prior to the beginning of the exchange of academic researchers.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their duly authorized representatives as of the date first written above.

Tel Aviv University

[Institute]

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____