

INTELLECTUAL PROPERTY RIGHTS

General

1. The following regulations apply to all University officers, as described in the Statutes and Ordinances of the University, and to all other persons employed by the University. The term 'University staff' in these regulations denotes all the above persons. The provisions of these regulations may also concern visitors to the University, and ~~to~~ associates and students of it, ~~by virtue of Regulations 12, 13, and 14. In that case, students, visitors and other affected creators of intellectual property acquire not just the same obligations as staff members but the same rights.~~

2. Nothing in these regulations shall override the requirement for employees and students to keep confidential material the disclosure of which would be inconsistent with their duties under professional codes; material that is decreed to be confidential by a relevant ethics committee; or material that is obtained under the terms of a Non Disclosure Agreement. Moreover, nothing in these regulations shall override agreements that ~~students or the University, on behalf of, and with the knowledge of,~~ University staff, ~~or students or visitors,~~ have entered into with third parties as a condition of sponsorship or research funding.

Definitions

3. In the following regulations, the following definitions shall apply:

'creator': a person who invents, devises, designs, develops, breeds, works out, discovers, conceives, performs, produces, translates or expresses;

'creates': invents, devises, designs, develops, breeds, works out, discovers, conceives, performs, produces, translates or expresses;

'relevant creator': a creator eligible to be named in an application for registerable rights, for example inventors in the case of a patent; or any creator in the case of nonregisterable rights.

Freedom to make research public

4. University staff are entitled to decide that the results of any ~~researchwork~~ undertaken by them in the course of their employment by the University shall be published or disseminated to other persons to use or disclose as they wish ~~in accordance with normal academic practice.~~

However, if University staff decide that the results of their research should be commercialized, they should be aware that, in respect of patents and similar rights in inventions and new technology, protection for and subsequent commercialization of such inventions may be jeopardized if information about the inventions is made available to the public anywhere in the world before all relevant applications for protection have been lodged. Any statement, oral or written, which is made to another person or persons who are under no obligation to keep the information confidential will negate the validity of a patent for the invention in many countries. ~~University staff should be aware that publication or dissemination may prejudice any future commercialization; this should be considered in any decision.~~

~~If University staff decide that the results of their research should be commercialized, they may be required to keep results confidential while applications for its protection are prepared.~~

Initial entitlement to intellectual property rights

5. Where intellectual property rights arise, or the right to apply for such rights arises, from the results of activities undertaken by University staff in the course of their employment by the University, the initial entitlement to those rights shall be as provided in the following regulations. Research undertaken by University staff in the course of their employment by the University shall include all research conducted under the obligation to do so, expressed or implied, in their terms of employment. The time when, and the place where, particular research results are reached or achieved shall be factors to be taken into consideration in assessing whether the research is in the course of employment. Where a person external to the University consults a University staff member for advice, that advice will normally be regarded as private and therefore as forming no part of her or his obligations in the course of employment by the University.

6. ~~The University shall have the initial right to apply throughout the world for a patent for an invention, for another right in novel technology such as a utility model or petty patent, for a plant variety right or plant patent, and for a registered design for a product, any associated trade mark registration associated with another registerable right belonging to the University, or any other type of intellectual property that is dependent on registration, deposit, or grant at the time that these regulations are approved. The University or its delegated nominee, currently the University's wholly owned subsidiary, Cambridge University Technical Services Ltd (CUTS), will become the proprietor of any intellectual property right that is in consequence granted or registered. A University staff member who is the relevant creator shall be named as such in the application. By default all intellectual property rights arising from the work of University staff, students or visitors shall belong to their creators. This shall include all rights arising automatically, such as copyright, moral rights and unregistered design rights; and the initial right to apply throughout the world for patents and for other types of intellectual property that are dependent on registration, deposit or grant. Creators shall also retain rights over information, such as trade secrets and confidential know-how.~~

7. ~~Other intellectual property rights, arising from the activities of University staff in the course of their employment by the University, which exist without the need for any formal application at the time these regulations are approved, belong to the University staff member who creates the results subject to any third party rights which he or she may have previously agreed. This applies in particular to copyright and moral rights in literary, dramatic, musical, and artistic works; copyright in software, notwithstanding that there may also be patentable results embodied in the software; copyright arising from authorship of a database; performers' rights; unregistered design rights; and rights over information (such as trade secrets and confidential know-how). The above rights are subject only to the rights of any third parties which the creators may have previously agreed.~~

8. The University shall own any registered trademark *which would associate the University with the exploitation of a product or service.* ~~associated with the University's teaching and research activities created by University staff for that purpose.~~ Notwithstanding Regulation 7, the University shall own copyright, database rights, and other unregistered rights arising from the activities of University staff in the course of their employment by the University in (a) subject matter created for the administrative *or* ~~and~~ managerial purposes of the University, including advice to students other than teaching materials; (b) subject matter such as examination papers and library catalogues; and (c) any other subject matter commissioned by the University, such as special reports on its policy or management. For the purposes of this regulation, works commissioned by Cambridge University Press in the course of its business shall not be regarded as such commissioned subject matter.

9. Material or other subject matter that is developed in the University of which the copyright is owned by the University, including any that may fall under Regulation 8, may be released under Open Source or similar arrangements ~~on the authority of unless the creators are specifically instructed not to do so by~~ the Head of Department in which the material is created. ~~The Head of Department may delegate such authority within a Department without restriction. (When material is derived from material acquired under Open Source arrangements that require any distribution of derived material to be under the same arrangements, no authority to distribute need be sought.)~~

10. The law accords rights against exploitation of certain products by third parties to creators who organize their production; these include sound recordings, films, broadcasts, published works (in respect of their typographical arrangement) and databases (in respect of extraction and utilization of their content). These rights over products are additional to, and do not affect, copyrights and performers' rights ~~of the kind referred to in Regulation 7~~ that protect works and performances included in the products. In any case where, because the University is the investor or co-investor in such products, it acquires these rights by operation of law, the University:

- (a) by virtue of these regulations grants licence to these rights to each creator free of charge or other obligation; and
- (b) undertakes, on the joint request of all who contributed to the creation of the product, to assign these rights to those persons free of charge or other obligation on the latter's part.

11. The party initially entitled to an intellectual property right ~~by virtue of Regulations 6-8,~~ whether the University or a University staff member, ~~student, visitor or other relevant creator –~~ may deal with the right by assignment, licence, waiver, or other dealing entered into before or after creation of the subject-matter of the right, so far as is permitted by law. The University may elect to assign its intellectual property rights in appropriate cases to a nominee company.

~~12. The University shall require College Teaching Officers and College Research Fellows working on University research projects to agree to be bound by the regulations in the same manner as University staff or by such other terms as may be agreed in the circumstances. It shall be for the relevant College to agree with the University what share (if any) in the portion of net revenue accorded to central funds under Regulation 25 shall instead be allotted to the College. Where creators have been supported by institutions or funds other than their department and that lie within the Cambridge community, including colleges, scholarship funds and funds controlled by research teams, these institutions or funds shall acquire a pro-rata interest in any revenues resulting from the exploitation of relevant intellectual property that would otherwise have accrued to the department.~~

13. It shall be the responsibility of a University staff member to ensure that visitors or other non-University employees, working on a University project for which the University staff member is named as principal investigator, do not compromise the University's intellectual property obligations to third parties with respect to that project. University staff members named as principal investigators on research grants and contracts should consider whether visitors or other non-University employees should be asked to enter into agreements in order to achieve this.

14. The entitlement to intellectual property rights in material created by a student shall rest with the student, with the following exceptions:

- (a) Where a student is sponsored by a third party, a condition of sponsorship may be that the sponsor may own any intellectual property developed during the period of

sponsorship. Sponsored students are, therefore, advised to check the terms of their sponsorship agreement.

- (b) Where a student is working on a sponsored project as part of his or her course-work or research, the sponsor may own any intellectual property that the student develops. This will be specified in the research contract and the supervisor or Department should inform students if this is the case as early as possible in the admissions process and in any case prior to start of their research.
- (c) Where a student is working in collaboration with others in a manner that gives rise to joint creation of intellectual property, or interdependent intellectual property, ~~the student may be required to assign intellectual property to the University or place the results in the public domain without restriction. He or she will be treated in the same way as University staff under these regulations. If this case is likely to arise, students should be so informed at the offer of admission where practical, and in any case prior to the start of their research. he or she will be treated in exactly the same way as a member of University staff under these regulations.~~

~~A student who believes that clause (c) above has been inappropriately applied may make an application to the University Technology Referee under Regulation 15.~~

A sponsorship agreement may also place a requirement on the student and his or her examiners to undertake to keep results confidential while steps are being taken to protect intellectual property or to establish exploitation arrangements. The student may also be required to submit the dissertation to the sponsor for scrutiny before submitting it for examination. Any confidentiality agreement whose purpose is to delay public disclosure for the purpose of protection should usually not have effect for longer than three months from the time the sponsor is notified of intent to publish. When the University obtains an assignment of student-created intellectual property, ~~it undertakes to provide the student with~~ the student shall enjoy the same rights as University staff members under these regulations, including a share in such financial returns from the exploitation as there may be on the same basis as that applying to University staff by virtue of Regulation 25.

15. Where a dispute occurs between the University and a University staff member, ~~a person referred to in Regulation 12 or a student, a visitor or another relevant creator, or between staff members, a person referred to in Regulation 12 and/or a student~~ such creators, as to the application of these regulations or the terms of the agreement on which they should enter, or on which they have already agreed to proceed, concerning the commercial exploitation of any intellectual property rights, or the subject matter to which such rights relate, the dispute shall, at the request of either, be referred to a University Technology Referee in accordance with Regulations 32–39.

Scope of application

16. These regulations shall apply to all intellectual property rights relating to subject-matter created on or after [Date on which Grace takes effect] save to the extent that a University staff member has, before that date, entered into an explicit arrangement to the contrary with the University or the University has previously entered into an agreement with a third party relating to those rights. Intellectual property rights in subject-matter invented, devised, made, or created before that date shall be governed by the previous agreements, rules, policies, and notifications of the University which affect them, and also by Regulations 4, 9, 10, 12, 14, 15, and 32-40. In all other respects the present regulations shall replace and

supersede the policy set out in the General Board Notice¹ on commercial exploitation of inventions funded by Research Councils, and that approved by Grace 6 of 21 March 2001.

Interpretation

17. In these regulations, references to acts to be done by or in relation to the University in the exercise of any right or power, or in fulfilment of any duty or responsibility, are to acts done by or on behalf of the Council or by a duly designated officer and to directions given by the Council.

ADMINISTRATION OF THE UNIVERSITY'S INTELLECTUAL PROPERTY PROVISIONS

General

18. ~~If University staff decide that the results of their activities should be the subject of commercial exploitation, and that the rights to those results are reasonably capable of including rights to which the University is initially entitled by virtue of Regulation 6, they must notify the University, through the Research Services Division, and the relevant Chairman of Faculty Board, or Head of Department or other institution and provide the University with full disclosure of the relevant results in order that the steps referred to in Regulations 19–24 may take place. University staff shall assist the Research Services Division to take reasonable steps to determine who all the creators of the subject matter are and whether any agreements govern the ownership or exploitation of the subject matter. The Research Services Division shall ensure that students' supervisors or contract researchers' line managers are aware of the intention to exploit commercially. If University staff, students or visitors decide that the results of their activities should be the subject of commercial exploitation, and these results include rights to apply for a patent to which the University is entitled as a condition of research funding, they must notify Cambridge Enterprise. In the event that they wish Cambridge Enterprise to be involved in filing a patent application, they must provide full disclosure of the relevant results, and assist Cambridge Enterprise in determining who all the creators are and whether any agreements affect the exploitation. Cambridge Enterprise shall ensure that students' supervisors and contract researchers' line managers are aware of a decision to exploit.~~

19. ~~The University staff, students, visitors or other relevant creators who wish its involvement~~ shall discuss with Cambridge Enterprise the path for exploitation, with the aim of reaching agreement on confidentiality, whether a patent application should be filed, and whether a company should be formed to exploit the technology.

20. If Cambridge Enterprise, with the agreement of the University staff member(s), decides that a patent or other form of intellectual property right requiring registration should be applied for in respect of one or more countries in the world, it may exercise its entitlement to do so in the University's name, or in the name of its designated nominee, ~~in accordance with Regulation 6~~. In respect of any such application, all inventors shall be included in any application that requires them to be named.

21. The relevant creator of the subject matter, or creators acting jointly, may decide that they do not wish it to be exploited through Cambridge Enterprise and then may require the University to assign ~~its rights to apply for patents~~ ~~the rights referred to in Regulations 6 and 20~~. If not in explicit contravention of any agreement governing ownership or exploitation of the subject-matter, this assignment may be to the creators for a fixed percentage of royalty income in the case where the creators decide to license or assign the rights to a third party; or under negotiated licence/equity terms when the creators are forming a company to exploit

¹ *Reporter*, 1986–87, p. 440, dated 26 February 1987.

the rights. In the last-mentioned case, the guiding principle shall be that a fixed percentage of the rights attributed, on a fair and reasonable basis, to intellectual property, often referred to as inventors' rights, shall be assigned to the University. Any assignment by the University shall be conditional on the repayment of any funds expended by Cambridge Enterprise on protection of the subject-matter. If the creators cannot reach agreement, Cambridge Enterprise shall make a decision, against which any party may make application to the Technology Referee. The fixed percentages referred to in this regulation are set out in the Schedule attached to these regulations.

The determination of whether such an assignment is or is not in contrary to any agreement shall be made by the Research Services Division within 30 days of being supplied with all relevant information. Any determination may be the subject of a reference in accordance with Regulations 32–39.

22. In the case where the creators do wish to commercialize through Cambridge Enterprise, Cambridge Enterprise shall decide, within 30 days, or such longer time as it and the University staff, students, visitors or other relevant creators may agree to, of receiving notification of sufficiently detailed research results, whether to make any application for a patent, in the UK or elsewhere, ~~of the type referred to in Regulations 6 and 20~~. If it does, it must inform the creators University staff who have notified the results and it must make and prosecute the application with all reasonable diligence.

23. If Cambridge Enterprise decides not to pursue an application, to withdraw an application, or not to maintain a granted or registered right, it must forthwith inform the University staff who have created the subject-matter of its decision. ~~The University shall seek to determine with those persons the future course of action with financial arrangements as in Regulation 21. In that case the rights shall revert to the creators with financial arrangements as in Regulation 21.~~

24. During the period following receipt of notification of the research results from a University staff member, student, visitor or other relevant creator, Cambridge Enterprise shall consider with her or him how commercial exploitation of the results shall or may be pursued, having regard to all reasonable proposals for that exploitation made by the staff member, student, visitor or other relevant creator. Cambridge Enterprise and the University staff member creator shall keep each other informed and shall co-operate fully in order to achieve an agreed outcome. Where a University staff member is entitled to intellectual property rights under Regulation 7 over information in subject matter or other material and those rights are relevant to the exploitation of the University's rights ~~under Regulation 6~~, the staff member may agree to assign or license her or his intellectual property rights either to the University, to the University's designated nominee, or to a third party in furtherance of such arrangements for exploitation as may be reached.

25. ~~Where the University or its designated nominee receives licensing income from the commercialization of intellectual property rights by virtue of Regulation 6, or by virtue of any assignment to the University or nominee of a University staff member's intellectual property rights under Regulation 7, whether in association with the exploitation of the University's rights under Regulation 6 or by virtue of Regulation 27, any direct costs, as defined in the Schedule to these regulations, shall be deducted and the net revenue shall be shared between the relevant creators of the material or other subject matter (here referred to together as 'inventors') protected by intellectual property rights, her or his Department, Faculty or other institution, and the University as specified in the Schedule to these regulations. Where the University or its designated nominee receives licensing income from the commercialisation of intellectual property rights under these regulations, then by default any direct costs, as defined in the Schedule to these regulations, shall be deducted and the net~~

revenue shared between the creators and the relevant University institutions as specified in the Schedule to these regulations. It shall be open to the creators and Cambridge Enterprise to negotiate different terms, for example when the creators contribute further assets of their own under regulation 24.

Where University staff, students, visitors or other relevant creators together contribute to the creation of intellectual property that is subsequently exploited, the distribution of the inventors' share of revenue shall be a matter for those staff members to determine, referring the matter if necessary in accordance with Regulation 15. They shall notify Cambridge Enterprise of the resulting arrangements. If the staff members do not reach an agreement, Cambridge Enterprise shall refer the matter, by application, to the Technology Referee under Regulation 33.

A royalty sharing arrangement under this regulation shall continue in effect after the person concerned ceases to be a University staff member or to hold a position or status which makes the regulation applicable. Upon the death of such a person, her or his share under this regulation shall continue to be payable to her or his estate or a nominee thereof.

26. During any period in which ~~either~~ Cambridge Enterprise, *with the agreement of the University staff member, student, visitor or other relevant creator concerned,* ~~or a University staff member~~ is considering whether to make an intellectual property application or applications that entail keeping the subject-matter from being available to the public beforehand, *Cambridge Enterprise shall, and other parties each* ~~shall~~, keep the research results confidential until those applications have been made and are therefore no longer in jeopardy from any prior publication. *If a University staff member decides to make the relevant results public before the applications have been made, he or she must be aware that those applications are likely to fail and shall inform Cambridge Enterprise as soon as possible.*

Where a University staff member is solely entitled to intellectual property rights under Regulation 7

27. Where a University staff member is entitled to any intellectual property right ~~in accordance with Regulation 7~~, he or she may seek the assistance of Cambridge Enterprise in arranging exploitation of the rights, for instance by agreeing a fee for management by the University's designated nominee, or by assigning the rights to the nominee in return for use of the University's name, arms, or trade marks and then adopting the revenue-sharing arrangement described in Regulation 25.

External sponsorship

28. An agreement may be reached by the University with an external sponsor of research or a third party, under which, in return for the agreed level of funding or sponsorship for research, transfer of materials, or other collaboration, the third party *or the University* shall be entitled to the intellectual property rights relating to the results of the research, *or the third party shall be entitled to an assignment of those rights* or the right to apply for ~~them~~ *any such rights*, or a licence of ~~over~~ or other interest in any such rights that the University may subsequently own. *So far, however, as such intellectual property rights consist of copyright or other informal rights referred to in Regulations 7 and 10 not requiring registration, this provision applies only where it is explicitly stated that such rights are included in the agreement.* ~~University staff, in agreeing to conduct research under such an agreement shall be deemed to have agreed to comply with the terms of the agreement. In particular the University staff shall execute any assignment of intellectual property required by the agreement and abide by any confidentiality conditions specified in the agreement. Such agreements shall designate the person to whom University staff must notify relevant research~~

~~results and the period within which the notification must be given. Standard terms for these undertakings may be included in the Model Research Collaboration Agreement that is available from the Research Services Division. In every case, such agreements must be made with the explicit written consent of the creators of such rights. The University may not bind any staff member, student or visitor to intellectual property agreements without their informed consent, freely given.~~

Specific exceptions concerning copyright and database right

29. Where the University participates in, or establishes, a specific project to organize teaching or other dissemination of knowledge, otherwise than to its own students, or a project to set up and maintain a database it may require that intellectual property rights arising in relation to material incorporated into the project or arising from it be assigned or licensed to it as part of an agreement for the management of the project. If such a requirement exists it shall be made and agreement sought before the project is begun.

30. In relation to teaching materials prepared by a University staff member for use in the teaching primarily of the University's students, unless the Faculty Board or other body responsible for teaching has agreed explicitly to the contrary, the University shall have a non-exclusive, royalty-free, perpetual licence to use the material for teaching in the University.

Use of the University's name, arms, and trade and service marks

31. The University is solely entitled to make commercial use of its name and arms, and to trade marks, service marks, corporate names, and domain names in which either appears, where the use of the name, shield, or mark is such as to suggest that the University is engaged in, or is connected with, or sponsors, the activities. In appropriate circumstances the Council or a duly authorized officer may, subject to such conditions as may be determined in a particular case, permit a University staff member wishing to commercialize her or his intellectual property rights under Regulation 7 or 21 to use the name, arms, or mark for commercial activities with which they are or will be associated.

ADJUDICATION AND APPEAL

32. The Council shall maintain a panel of persons to serve as University Technology Referees. Such persons need not be members of the University. One member of the panel shall be designated by the Council as Chairman of the panel. The Council may appoint a Deputy Chairman to serve if the Chairman is not able or willing to act in a particular case. A Secretary of the Panel of University Technology Referees shall be appointed in accordance with Regulation 39. The identity of the members of the Panel of University Technology Referees, its Chairman, and Secretary shall be published in the *Reporter*.

The Council shall also maintain a panel of persons to serve on a Technology Appeal Tribunal in accordance with Regulation 35.

33. If a dispute arises as to the interpretation of these regulations:

- (a) the University staff member, or a person referred to under Regulation 12 or the student concerned, or a duly authorized person representing the University, hereinafter the 'applicant', shall send written notice to the Secretary of the Panel of Referees of the facts of the dispute within thirty days of the dispute arising, and shall at the same time send the same material to the other parties to the dispute;
- (b) any other party to the dispute may submit comments on the applicant's submission to the Secretary within fourteen days of receipt of the submission.
- (c) the Secretary shall notify the Chairman (or Deputy Chairman) who shall act herself or himself or shall designate a member of the panel to act as the Referee in a particular

case; the Secretary shall notify the applicant and other parties to the dispute of this appointment;

- (d) the Referee shall consider the material submitted by the applicant and other parties to the dispute;
- (e) at her or his discretion the Referee may hold a hearing at which all parties to the dispute shall normally be entitled to be present and to be represented. The Referee may also request evidence be given in writing, or by way of oral hearing, by any other member of the University staff, College Teaching Officer, College Research Fellow, or student, as the Referee sees fit;
- (f) following consideration and hearing the Referee shall issue a written adjudication, to be communicated to the Registry, and the parties to the dispute. Such adjudication shall include recommendations as to the resolution of the matter in dispute. The Referee shall make reasonable efforts to issue this adjudication within 45 days of the original application to the Secretary of the Panel of Referees;
- (g) the Chairman, or the Referee if a Referee has been appointed, may dismiss summarily a complaint which, in her or his opinion, is trivial, vexatious, or out of time.

34. Any participating party aggrieved by the Referee's adjudication may, within thirty days of notification of the adjudication, appeal to the Technology Appeal Tribunal. Such appeal shall be made in writing to the Clerk of the Tribunal, and shall include full documentation. A copy of such papers shall be sent by the appellant to those mentioned in Regulation 33(a).

35. The Technology Appeal Tribunal shall consist of:

- (a) a legally qualified Chairman, designated by the Registry to serve in a particular case from a panel of Chairmen to be maintained by the Council;
- (b) *either*
 - (i) (when the referral does not involve a student) two members of the Regent House, designated by the Registry from a panel of members of the Tribunal to be maintained by the Council;
 - or*
 - (ii) (when the referral does involve a student), two members of the Regent House, one designated by the Registry from a panel of members of the Tribunal to be maintained by the Council, the other nominated by the Senior Tutors' Committee,
- (c) (when the referral involves a student) a student chosen from a panel of members of the University *in statu pupillari* appointed by the Council under the procedure used to choose a student member of the Court of Discipline.²

No person shall serve on the Tribunal if he or she has previously served as Chairman, Deputy Chairman, or Referee in the initial reference of the particular case or is subject to a conflict of interest.

36. The Chairman of the Tribunal for the particular case shall determine whether the proceedings shall be dealt with on the basis of written representations, or at an oral hearing, or both, provided that the Chairman shall normally determine that an oral hearing shall take place if one of the parties requests it.

37. The decision of the Tribunal shall be notified in writing to the parties, and to the Registry.

38. The Chairman of the Panel of Referees and the Chairman of the Tribunal may from time to time make procedural rules about the respective procedures, either of general application, or in respect of a particular case. A decision of the Tribunal in a particular case

² See *Statutes and Ordinances*, p. 193.

shall bind the parties, subject to any rights which a member of the academic staff has under Statute U, to any disciplinary proceedings brought by the University under Statutes B and U, to any review proceedings before the Commissary under Statute D, V, to any legal proceedings, and in respect of students, to *any relevant student complaints or adjudication procedures*.

39. The Registry shall designate a person to act as Secretary of the Panel of Referees, and as Clerk of the Tribunal.

DISGORGEMENT

40. Where the University acquires, or has in the past acquired, intellectual property rights other than patents (or the right to apply for a patent) which have arisen from the activities of University staff, students or visitors as a result of conditions attached to research funding, or as a result of Grace 6 of 21 March 2001, and these rights have not been assigned to any third party by virtue of an assignment notified by the Treasurer to the Finance Committee by the 12th October 2005, the University by virtue of these regulations assigns these rights back to their creators.

For the avoidance of doubt, in any case where the University asserts ownership of intellectual property rights under these regulations for the purpose of commercial exploitation, it must do so within 30 days of the creation of those rights or, in the case of registrable rights, of notification by the creators; or else by virtue of these regulations it assigns the rights back to the creators.

SCHEDULE

Royalty income

In the following, net royalty refers to royalty income less expenditure on:

- (a) all ~~reasonable~~ expenses paid outside the University and Cambridge Enterprise, including patent agent fees, for the filing, prosecution and maintenance of intellectual property rights, that are agreed with the creators or that, should they not be contactable in time, are urgent and reasonable in the circumstances;
- (b) all ~~reasonable~~ external legal fees incurred in the commercialization of the intellectual property that are agreed with the creators or that, should they not be contactable in time, are urgent and reasonable in the circumstances;
- (c) all ~~reasonable~~ external legal fees expended on litigation that are agreed with the creators or that, should they not be contactable in time, are urgent and reasonable in the circumstances;
- (d) all reasonable expenditure on insurance relating to the maintenance and enforcement of intellectual property rights;
- (e) any revenue due to third parties, for example sponsors; and
- (f) any other expenditure that is agreed with the ~~creators~~inventors.

Where Cambridge Enterprise is involved in exploitation, the share of revenues from net royalties shall be as follows.

<i>Net Income</i>	<i>Inventors (jointly)</i>	<i>Department</i>	<i>Cambridge Enterprise</i>
First £100,000	90%	5%	5%
Next £100,000	60%	20%	20%
Above £200,000	34%	33%	33%

Where Cambridge Enterprise is not involved in exploitation, the share of revenues from net royalties shall be as follows.

<i>Net Income</i>	<i>Inventors (jointly)</i>	<i>Department</i>	<i>Central Funds</i>
First £50,000	100%	0%	0%
Above £50,000	85%	7.5%	7.5%

Where the inventors form a company under Regulation 21, that is, without the involvement of Cambridge Enterprise, the fixed percentage of inventors' rights referred to therein shall be 15%.

Where colleges or other University institutions have supported the relevant creation, their pro-rata share in accordance with Regulation 12 shall come from the Department's share in this Schedule.

Thresholds in ~~this~~ ese-sSchedules shall be index linked from [date Grace comes into effect] using the Retail Prices Index.

Share of equity in new businesses

The share of equity in new businesses shall be negotiated on a case by case basis having due regard of the contribution of creators to the business beyond the creation of IPR and of any funding that is made available by the University or Cambridge Enterprise.