

University of Tokyo Detailed Rules for the Payment of Compensation Related to Intellectual Property

(January 16, 2006, University of Tokyo Rules No. 45)

Chapter 1 Purpose

(Purpose)

Article 1 The purpose of the Detailed Rules on Payment of Compensation Related to Intellectual Property (hereinafter, the “**Rules**”) is to stipulate matters necessary in relation to payment of compensation, pursuant to the provisions of Articles 23 to 27 of University of Tokyo Rules for the Treatment of Inventions (hereinafter, the “**Inventions Rules**”), Articles 14 and 16 of University of Tokyo Rules for the Treatment of Works (Copyright) (hereinafter, the “**Copyrightable Works Rules**”), Article 6.3 of University of Tokyo Rules for the Treatment of Trademarks (hereinafter, the “**Trademarks Rules**”), and Articles 9 and 11 of the University of Tokyo Rules for the Treatment of Know-How (hereinafter, the “**Know-How Rules**,” and hereinafter the Inventions Rules, the Copyrighted Works Rules, the Trademarks Rules, and the Know-How Rules are collectively referred to as the “**Intellectual Property-Related Rules**”).

(Definitions)

Article 2 In the Rules, the following terms shall have the meanings set out below.

(1) “**Intellectual Property Right(s)**” means the following:

A. Patent rights under the Patent Law, utility model rights under the Utility Model Law, design rights under the Design Law, trademarks under the Trademark Law, circuit layout rights under the Law Concerning the Circuit Layout of Semiconductor Integrated Circuits, plant breeders’ rights under the Seeds and Seedlings Law, and their respective overseas equivalents

B. Rights to obtain a patent under the Patent Law, rights to register a utility model under the Utility Model Law, rights to register design under the Design Law, rights arising from application for trademark registration under the Trademarks Law, rights to register establishment of circuit layout rights, rights to register a plant variety, and their respective overseas equivalents

C. Copyrights relating to program works and database works under the Copyright Law, and their respective overseas equivalents

D. Set of confidential technological information that may be specified and identified in an appropriate form and possesses value as an asset (hereinafter, “**Know-How**”)

(2) “**Faculty Member(s)**” means the Faculty Member(s) provided in the Intellectual Property-Related Rules.

(3) “**Other Researcher(s)**” means the Other Researcher(s) provided in the Intellectual Property-Related Rules.

(4) “**Right Holder(s)**” means Faculty Member(s) and Other Researcher(s) who have had the Intellectual Property Right(s) succeeded or assigned to the University of Tokyo (hereinafter, the “**University**”) pursuant to the Intellectual Property-Related Rules.

(5) “**Necessary Costs**” means the costs borne by the University for application, registration, and maintenance of intellectual property rights and technology transfer activities.

Chapter 2 Compensation

(Compensation for Registration)

Article 3 If the University succeeds to an Intellectual Property Right under the Inventions Rules and the Intellectual Property Right is registered, the University shall pay the compensation for registration provided in the Appended Table to the Right Holder who invented, designed, cultivated, created, registered, or devised the Intellectual Property Right.

3.2 If the Intellectual Property Right under Article 3.1 above was registered in two or more countries, the University shall pay the compensation under Article 3.2 above in each of the countries.

(Compensation for Assignment)

Article 4 If the University receives the Intellectual Property Right(s) under the Intellectual Property-Related Rules by assignment from the Right Holder, the University shall pay the compensation for assignment provided in the Appended Table to the Right Holder who invented, designed, cultivated, created, registered, or devised the Intellectual Property Right(s).

(Compensation for Utilization)

Article 5 If the University succeeds to or is assigned Intellectual Property Right(s) under the Intellectual Property-Related Rules and receives income by utilization or disposal of the Intellectual

Property Right(s), the University shall pay compensation in the amount equivalent to 40% (forty percent) of the amount after subtracting the Necessary Costs borne by the University from the income, to the Right Holders who are provided by each of the Intellectual Property-Related Rules to be the recipients of the compensation.

5.2 Receiving of income by utilization or disposal of the Intellectual Property Right(s) under Article 5.1 above includes cases when the University receives income equivalent to by assignment or licensing of the Intellectual Property Right(s) through enforcement of rights relating to the Intellectual Property Right(s), such as claiming damages and other cases when the University receives income which are recognized be attributed to the Intellectual Property Right(s).

5.3 If the University receives stocks (including share option and bond with share option) as licensing fee or others of the Intellectual Property Right(s) pursuant to the University of Tokyo Rules for the Treatment of Stock Acquisition involving Licensing, the income under Article 5.1 above is deemed to have been received when the stocks are converted into money.

Chapter 3 Calculation Method for Compensation

(Calculation of Compensation for Utilization)

Article 6 The compensation for utilization shall be calculated for each fiscal year (April 1 to March 31 of the following year).

6.2 If the cumulative amount of incomes by utilization or disposal of Intellectual Property Right(s) as of the end of a fiscal year exceeds the cumulative amount of Necessary Costs for the Intellectual Property Right(s), the University shall pay compensation for utilization to the Right Holder(s).

6.3 If the compensation for utilization was paid under Article 6.2 above, the cumulative amounts of incomes and Necessary Costs up to the fiscal year in which the compensation for utilization was paid are deemed to have been canceled in the fiscal year, and the provision of Article 6.2 shall apply based on incomes and Necessary Costs that accrue anew starting from the following fiscal year.

6.4 If the calculated amount of the compensation for utilization paid to the Right Holder under Article 6.3 above is below 1,000 yen, the amount may be carried over to the following fiscal year or thereafter.

(Calculation of Compensation to Joint Right Holder(s))

Article 7 If there are two or more Right Holders when calculating compensation as provided in Articles 3 to 5 above, payment shall be made according to the respective shares of the Right Holders at the University.

7.2 Notwithstanding Article 7.1, if all the Right Holders have agreed specifically beforehand about distribution of the compensation, the payment may be made according to the distribution ratios.

(Calculation of Compensation in the Case of Comprehensive Technology Transfer Involving Plurality of Rights)

Article 8 In a case of comprehensive technology transfer by the University involving a plurality of Intellectual Property Rights (hereinafter the “**Comprehensive Technology Transfer**” in the Article), the income of each Intellectual Property Rights shall be the amount calculated by distributing the total incomes received by the University according to the degree of contribution by each Intellectual Property Right toward the Comprehensive Technology Transfer. In such a case, the degree of contributions shall be deemed equal for each of the Intellectual Property Rights, unless otherwise specifically provided by a prior agreement of all the Right Holders or by a contract, etc.

8.2 If the shares of the University under Article 8.1 above differ among the Intellectual Property Rights, the total income amount shall be distributed at ratios obtained by multiplying the degree of contributions under Article 8.1 above by the shares for the University.

8.3 The provisions of Articles 8.1 and 8.2 above shall apply also when calculating the Necessary Costs that cannot be distributed among the Intellectual Property Rights.

8.4 If composition of Intellectual Property Rights that are the object of Comprehensive Technology Transfer changes ex-post facto during the period of technology transfer, the income distribution under Articles 8.1 and 8.2 above shall be made to the composition of Intellectual Property Rights at the time of occurrence of an event that requires the recipient of technology transfer to pay licensing and other fees. However, the provision shall not apply if specifically provided otherwise by a contract, etc.

8.5 If the licensing fee under Article 8.4 above is a licensing fee paid by the recipient of technology transfer for continuous utilization during a specified period, the income for the period covered by each component of the composition (in units of months) is calculated based on information such as a licensing fee report, for distributing the income under Article 8.1 above for each component. However, if no information on monthly income is available, the income is deemed to have accrued evenly each month.

8.6 If a new Intellectual Property Right was incorporated in the object of Comprehensive Technology Transfer in the calculation under Article 8.5 above, the Intellectual Property Right is deemed to have been incorporated at the beginning of the month during which the Intellectual Property Right was incorporated pursuant to the contract, etc.

8.7 If a part of the Intellectual Property Right that is an object of the Comprehensive Technology Transfer ceased to exist due to withdrawal of application, decision on refusal, judgment on invalidity, waiver of the right, or was excluded from the object of Comprehensive Technology Transfer by a contract, etc. in the calculation under Article 8.5 above, the Intellectual Property Right is deemed to have been excluded from the object of Comprehensive Technology Transfer starting from the beginning of the following month.

8.8 If foreign Intellectual Property Rights are included in the object of Comprehensive Technology Transfer, the provisions of this Article shall apply under the assumption that there is one Intellectual Property Right in each of the countries. (However, the application shall be deemed as one Intellectual Property Right during a period before entering the national phase for an international application under Patent Cooperation Treaty, and a period before a public announcement on granting of a European patent for a European patent application under Convention on the Grant of European Patents.)

(Calculation of Compensation When Priority Right is Claimed)

Article 9 With regard to payment of Compensation under Articles 3 to 5 when the University made an application involving claiming priority, the provisions of Article 7 shall apply to the share for the entire Intellectual Property Rights related to the later application involving claiming priority(including the Intellectual Property Rights disclosed in the previous application whose priority is claimed and which subjected to the claim of priority). (However, the provisions of this Article shall not apply if the previous application whose priority is claimed is not covered by the provisions on deemed withdrawal.)

9.2 In a case provided in Article 9.1 above, the Necessary Costs for the application whose priority is claimed shall be handled as the Necessary Costs for the application involving claiming priority.

9.3 The provisions of Articles 9.1 and 9.2 above shall apply also in a case of application involving a plurality of claiming priorities.

Chapter 4 Method of Payment of Compensation

(Notice on Situations)

Article 10 The University shall notify Right Holder(s) about compensation and other matters, when Intellectual Property Right is registered, or when income is obtained by utilization or disposal of Intellectual Property Right.

10.2 Right Holder(s) shall specify the forwarding address of notice under Article 10.1 above, as instructed by the University. When changing the forwarding address of the notice, the Right Holder shall notify the University using a prescribed form.

(Payment Procedures for Compensation)

Article 11 The University shall pay compensation under Articles 3 to 5 on Right Holders' demand by wire transfer prescribed below, .

11.2 Right Holders shall specify a bank account for wire transfer of compensation, as instructed by the University. The bank account shall be an account in Japan. However, the provision shall not apply if opening and maintenance of an account in Japan is recognized as difficult.

11.3 When changing an account for wire transfer under Article 11.2, the Right Holder shall submit a document indicating prescribed matters, along with and relevant attached document(s) that are required.

11.4 If wire transfer of compensation to an account specified by a Right Holder was disabled due to a reason not attributed to the University, the University may reserve payment of the Compensation.

11.5 In a case of Article 11.4 above, the University shall pay the compensation if the Right Holder claims the payment before expiration of the period of limitation for the compensation.

(Time of Payment of Compensation)

Article 12 The University shall pay compensation to Right Holder by the end of the fiscal year following the fiscal year during which the reason for payment arose.

(Compensation to Successor of Right to Demand Compensation or to Right Holder Who is No Longer Affiliated with the University Due to Job Change or Resignation)

Article 13 The Rules shall apply to a person who succeeded the right to receive compensation that belonged to a Right Holder and to a Right Holder who is no longer affiliated with the University due to job change or resignation.

13.2 The person who succeeded the right to receive compensation under Article 13.1 above shall notify the University on the succession of the right by submitting a document evidencing the succession and a document indicating prescribed matters.

Chapter 5 Miscellaneous Provisions

(Distribution to Faculty)

Article 14 If there are two or more Right Holders who belong to different faculties, income shall be distributed to each faculty according to the share of each of the Right Holders.

14.2 When distribution of income to relevant faculties is recognized as appropriate with regard to the shares of Other Researcher(s), the University may hear opinions of the Other Researcher(s) about handling of the distributed income.

(Application to Outside Researchers and Outside Institutions)

Article 15 If the University succeeds to or was assigned Intellectual Property Right(s) from a person other than Faculty Members or Other Researchers, the University may apply the Rules if deemed necessary by the Office of Intellectual Property of Division of University Corporate Relations (hereinafter, the “**Office of Intellectual Property.**”)

15.2 If the University succeeds to or was assigned Intellectual Property Right(s) from an institution other than the University, the University may pay compensation for assignment under Article 4 above to the institution and compensation for registration under Article 3 above and compensation for utilization under Article 5 above to inventor(s) who belong to the institution, when deemed necessary by the Office of Intellectual Property unless otherwise specifically provided.

15.3 If distribution of shares to relevant faculty(s) is recognized as appropriate in cases of Articles 15.1 and 15.2 above, the University may hear opinions of the assignor regarding the handling.

(Objection to Office of Intellectual Property)

Article 16 Right Holders may file an objection to the Office of Intellectual Property if the Right Holder has an objection regarding payment of compensation.

(Other Matters)

Article 17 Any necessary matter other than those provided by the Rules shall be provided separately by the director of the Division of University Corporate Relations.

Supplementary Provision

The Rules are effective as of January 16, 2006 and applicable as of April 1, 2004.

Supplementary Provision

The Rules are effective as of January 30, 2007.

Supplementary Provision

The Rules are effective as of April 1, 2013.

Appended Table

Intellectual Property Right	Compensation for Registration	Compensation for Assignment
- Patent right - Right to obtain a patent	The amount obtained by multiplying 20,000 yen by the share of the University	The amount equivalent to the Necessary Costs spent for obtaining and maintaining the right
- Utility model right - Right to register a utility model	The amount obtained by multiplying 10,000 yen by the share of the University	Same as above
- Design right - Right to register design	The amount obtained by multiplying 10,000 yen by the share of the University	Same as above
- Plant breeder's right - Right to register a plant breed	The amount obtained by multiplying 10,000 yen by the share of the University	Same as above
- Circuit layout right - Right to register establishment of circuit layout right	The amount obtained by multiplying 10,000 yen by the share of the University	Same as above
- Copyright	—	The total of the amount obtained by multiplying 10,000 yen by the share of the University and the amount equivalent to the Necessary Costs spent for registration, etc.
- Trademark right	—	The amount equivalent to the Necessary Costs spent for obtaining

		and maintaining the right
- Know-how	—	The amount obtained by multiplying 10,000 yen by the share of the University

Note: A reason for payment in relation to copyright shall arise when a copyrightable work is provided or licensed at a charge, or when a copyrightable work is assigned at a charge.

Understandings

If the University receives income by invention and others made on or before March 31, 2004 and no Necessary Cost has arisen anew after incorporation, the distribution of compensation for utilization to the Inventor shall be as follows. (In conformance to the Guidelines for Payment of Compensation for Employee Inventions by MEXT Employees (Minister of Education, Culture, Sports, Science and Technology Decision, 2002 Research Promotion Bureau No.718, dated January 29, 2003))

Income and distribution to the Inventor

- When up to 1 million yen: $\text{Income} \times 50/100$

- When over 1 million yen: $(\text{Income} - 1 \text{ million yen}) \times 25/100 + 0.5 \text{ million yen}$

After distributing to the Inventor and others, the remaining amount shall be divided equally between the faculty that received the notice on the Invention and others and the Office of Intellectual Property.