

Intellectual Property Policy

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1 Introduction

1.1 Purpose

The pursuit of excellence in teaching, learning and research is core to the University of Limerick's (the "University" or "UL") mission. From the outset, the implementation of this mission has been conditioned by the commitment to ensure that activities are relevant to Ireland's economic, social and cultural development. The University's focus on research and innovation is consistent with the national objectives set out in the relevant Government documents including the National IP Protocol.

University research is a national resource. The focus of the University of Limerick's Intellectual Property (IP) Policy ("this Policy") is on developing a positive culture of discovery and enterprise aimed at generating tangible benefits for the University, its researchers and the community at large, and contributing to the national knowledge economy.

This Policy establishes principles for the ownership, protection and commercialisation of innovations arising from the University's research activity. This Policy establishes principles and practices for:

- determining and safeguarding the interests of inventor(s)/originator(s) of IP and the University;
- helping UL and its research staff to comply with the management requirements that UL must fulfil in designing and operating its own internal IP management system, including the requirements for an IP Policy as set out in the National IP Protocol;
- management of IP in accordance with guidelines, codes, agreements and regulations set by EU, Government bodies and research funders;
- the sharing of benefits with Creators that are received by the University from innovation and commercialisation activities;
- the management of UL IP and UL Spinout Companies;
- the management of potential conflicts of interest that may arise in the course of research commercialisation activities;
- the resolution of related disputes

References in this Policy to other University polices are in capitals and all such polices are identified in Section 4.

1.2 Definitions

In this Policy:

'Adjunct(s)' means any person appointed under UL Adjunct Appointments Procedure.

'Creator(s)' means any Adjunct, Student, University Staff or Visitors (whether alone, jointly with or in conjunction with others) who has made an intellectual contribution to the creation or devising of UL IP.

'Benefit Share Agreement' means an agreement relating to a particular piece of UL IP setting out the respective contributions of the Creators.

"Intellectual Property or IP' means, but not limited to, any copyright, patent, invention, discovery, improvement, concept, idea, design rights, trade mark, plant breeders' rights, service mark, brand rights, audio-visual or computer materials, database rights, know-how, trade secrets, confidential information (including the contents of laboratory note books or stored by electronic means), semi-conductor topography rights and all other intellectual property and rights of a similar nature, whether vested, contingent or future anywhere in the world, whether registered or not, or capable of registration or not, and, including all applications and the right to apply for any of the foregoing rights.

‘IP Agreement’ means any agreement granting commercial rights in UL IP to a third party.

‘IP Income’ means cumulative cash payments received by the University as consideration under a valid IP Agreement; this includes licence execution payments, ongoing royalty payments, milestone payments, option payments, performance payments, assignment fees, cash payments received by the University as consideration for the sale of IP Shares and any other cash payments that are made to the University in consideration of the grant or transfer of the commercial rights of the UL Intellectual Property; IP Income, however, excludes:

- any fees included within an IP Agreement for the provision of support services (e.g. knowledge transfer);
- UL Share Income.

‘IP Shares’ means shares received by UL, in lieu of cash payments otherwise due as IP Income and which are not UL Shares.

‘National IP Protocol’ means Ireland’s National IP Protocol 2019 - A Framework for Successful Research Commercialisation and related Resource Guide, published by the Government of Ireland.

‘Net IP Income” means IP Income less direct and apportioned overhead costs associated with the management and commercialisation of the relevant UL IP and any related payment obligations entered into by the University with third parties or research funding agencies; overhead costs include all patent, insurance, professional fees and expenses and any other reasonable overhead costs.

‘Publication’ means putting the public in possession of an invention/ discovery by way of speech, talk, paper, drawing, photograph, printed work, tape, video recording or other electronic means, or any other disclosure given or distributed, except on a confidential basis; deposition of a thesis in the University Library constitutes “publication” and may prejudice patenting action or agreed secrecy unless appropriate provision is made for controlled access to the thesis.

‘Research Commercialisation Committee or RCC’ means the committee established by VPRI, under the University committees structure, to assist VPRI with the oversight of UL commercialisation activities. RCC shall be standing subcommittee of the University Research Committee (URC) with approved terms of reference and membership. The committee shall involve at least one senior executive from within UL, who is not part of the research hierarchy.

‘Student(s)’ means a student registered with UL.

‘TTO’ means the UL Technology Transfer Office.

‘UL or University’ means University of Limerick.

‘UL Intellectual Property or UL IP’ means Intellectual Property devised or created by:

- University Staff in the course of their employment and/or in the fields of expertise in which they are employed to work; and/or
- Adjuncts, Students or Visitors in the course of UL Research,

but does not include the following:

- Intellectual Property created by undergraduate students solely in connection with their education;
- Intellectual Property created in accordance with the Policy for Private Consulting and External Commercial Work.

'UL Research' means activities that involves one or more of the following:

- any use of Intellectual Property owned or controlled by UL;
- any use of UL research resources, research facilities or research equipment, the use of which informs the development of Intellectual Property.
- any use of UL research funding (internal or external) that is administered or hosted by UL;
- any research commissioned by third parties under which UL is contractually obliged to ensure that it owns any and all IP arising from such activities.

'UL Shares' means shares, other than IP Shares, in the capital of a company received by UL as recognition of the supports and ecosystem, provided by UL and the State, that have underpinned the development of the UL Spinout Company.

'UL Share Income' means any income or receipts received by the University in respect of UL Shares.

'UL Spinout Company' a company, which may involve one or more University Staff, Students or Adjuncts of the University, established to exploit UL IP.

'University Staff' means all employees of UL including without limitation those on full-time, part-time, dual/joint appointed, permanent or temporary contracts working in an academic, professional, technical or administrative capacity.

'Visitor(s)' means a person visiting the University for the purposes of undertaking research for or at the University.

'VPRI' means the Vice President Research and Innovation of UL.

1.3 Scope

This Policy applies to all University Staff, Students, Adjuncts, and Visitors. It is the responsibility of the VPRI to oversee the implementation of this Policy as approved and its periodic review. It is the responsibility of the TTO to implement the procedures set out in this policy. It is the responsibility of Human Resources to ensure that appointment of University Staff is consistent with this Policy. It is the responsibility of Academic Regulations Committee to ensure that student regulations are consistent with and, where appropriate, refer to this Policy. It is the responsibility of line managers to ensure the management of any potential conflicts of interest of University Staff, under their direction, that relate to activities that fall within the scope of this Policy.

For the Creators the purpose of the Policy is to:

- establish a positive climate to encourage University Staff, Students, Adjuncts and Visitors to generate, identify and commercialise UL IP;
- provide a mechanism to inform Adjuncts, Students, University Staff or Visitors of the necessity and the means of protecting UL IP;
- provide support to Adjuncts, Students, University Staff or Visitors in the exploitation of UL IP;
- facilitate the establishment of new companies to commercialise UL IP (UL Spinout Company).

For the University, the purpose of the Policy is to:

- clarify the ownership position for UL IP;
- encourage technology transfer in line with overall University and National objectives;
- create an innovative and entrepreneurial climate on campus;
- generate additional income to further support research;
- safeguard the academic, professional, legal, and financial interests of the University; and ensure compliance with agency and sponsor contractual obligations.
- align with national and international guidelines.

For External Organisations, the purpose of the Policy is to:

- encourage mutually supportive relationships with the University in the creation and exploitation of Intellectual Property;
- stimulate interest in the University as a source of research expertise having economic potential;
- recognise the legitimate economic and commercial interests of external partners in the context of agreements entered into with the University; and
- facilitate a professional and pro-business interface between external organisations and the University.

1.4 Legal and Regulatory Context

This Policy is in compliance with Ireland's National IP Protocol.

This Policy shall be reviewed every four years and/or within six months of amendments to the National IP Protocol, national code of governance or any relevant national policy or guideline or any other University policy referred to in this Policy.

The use of funds distributed under this policy is required to comply with the European Commission Framework for State aid for research & development & innovation which provides that the profits from innovation activities must be reinvested in the primary activities of the University.

This Policy does not confer any employment rights or entitlements on University Staff, Students, Adjuncts or Visitors. The rights and obligations of the University Staff under the terms of their office, employment or engagement with the University are not affected in any way by this Policy.

This Policy expressly recognises that binding legal agreements (e.g., Shareholders' Agreements, licence agreements and other related agreements), on commercial terms and governance arrangements are subject to negotiation and therefore shall be interpreted as taking precedence over statements within this Policy.

This Policy supersedes all prior written and oral arrangements, understandings and agreements with respect to its subject matter, including all prior policies and practices of the University with respect to UL IP all of which are hereby terminated and no longer have any effect. No Creator is entitled to rely on any right or entitlement under any such previous policy or practice.

2 Policy Statements

2.1 Ownership of UL Intellectual Property

All ownership rights and title to UL IP vests solely and absolutely in the University. Upon request by the University, Creators of UL IP shall execute all such documents, give such assistance, and do such acts and things as may in the opinion of the University be necessary or desirable to give effect to the foregoing and to this Policy generally. Creators of UL IP must also waive any rights, including all rights in the nature of moral rights that they may have in respect of UL IP to the extent deemed reasonable by the University. Any question relating to the ownership of UL IP shall be dealt with in accordance with Section 3.4.

2.2 Commercialisation

The University is committed to managing and commercialising UL IP in a manner which ensures optimum benefit to society, the national economy and the University. Commercialisation can take a take a number of routes which can include, licensing, assignment or formation of a UL Spinout Company. It is the responsibility of the VPRI to seek the most effective means by which UL IP may be commercialised in accordance with this Policy and to that end the TTO is responsible for the protection and commercialisation of UL IP. The University will maintain a flexible approach to bringing UL IP into commercial use and will consult with the Creators throughout the process.

2.3 Compliance with National and EU Frameworks

In the management and commercialisation of UL IP, the University will be guided by international best practice and the current National IP Protocol and other relevant codes, guidelines and requirements. The management of UL IP shall be undertaken in accordance with the procedures set out in Section 3. In addition, the commercialisation of UL IP shall be undertaken in compliance with the EU State aid rules and applicable Funding Agency grant terms and conditions.

2.4 Risk Management

The University will only engage in the commercialisation of UL IP where it is satisfied that it has the appropriate right to do so. UL IP is generally provided on an 'as-is' basis and without any expressed warranty or guarantee of performance. Any agreement for the commercialisation of UL IP must operate to levels of risk management appropriate to the needs of the University. The final decision to enter into any agreement rests with VPRI.

2.5 Disposal of Assets

The disposal, transfer or sale of any UL Shares, IP Shares or UL IP is subject to the University of Limerick Disposal / Transfer / Sale of Assets Policy.

2.6 Sharing of Benefits

It is University policy that, where appropriate, in return for the prior knowledge, know-how and experience that the University and Creators should share in any benefit arising from commercial exploitation of UL IP. Where a decision is taken to share income received by UL, which is derived from the commercialisation of UL IP, then it shall be distributed in accordance with Section 3.3 of this Policy.

2.7 Support for UL Spinout Companies

The University supports the creation of spinout companies as a mechanism to promote commercialisation of UL IP. Where University Staff wish to engage in the formation of a UL Spinout Company they shall follow the procedures for the formation of a UL Spinout Company as are set out in Section 3.2. The involvement of any University Staff in a UL Spinout Company shall require the prior approval of the relevant line manager. As a general principle, the University will require a shareholding in any UL Spinout Company in recognition of the supports and ecosystem, provided by UL and the State, that have underpinned the development of the UL Spinout Company prior to incorporation. The granting of UL Spinout Company status and the final terms for accessing UL IP are subject to the

approval of RCC. The TTO shall be responsible for negotiating the legal arrangements of related agreements. The responsibility for signing related agreements containing these terms shall rest with VPRI. The University will endeavour to support UL spinouts, without relinquishing rights to enforce agreements when deemed necessary. The University will also seek to ensure that changes to policy, processes and governance continue to support and facilitate spinout formation.

2.8 Third Party Research Collaboration, Contract Research and Consultancy

The University recognises that the competence of University Staff and Students may be further enhanced by participation in activities involving collaboration with industry, and recognises that such collaboration fosters the transfer and application of knowledge, and contributes to national economic development. The ownership of Intellectual Property arising from such work will be managed in accordance with the National IP Protocol and other relevant codes, guidelines and requirements and will be subject to:

- the provisions regarding ownership as are contained in the relevant contract between the collaborating organisation and the University, and
- funding agency grant terms and conditions, and
- EU State aid rules.

The University will generally seek to employ a standard contract for all such work and where appropriate national template forms of agreements shall be used. Deviations in contract formats may be used on the basis of particular circumstances taking into account the overall interests of the University, the collaborating organisation and/or incorporating guidelines that may be laid down from time to time by the University or other agencies.

2.9 Private Consultancy

The University permits certain members of the University Staff to undertake private consulting in accordance with the Policy for Private Consulting and External Commercial Work. University Staff undertaking private consultancy activities shall ensure that no UL IP is used in the performance of such activities.

2.10 Scholarly, Artistic and related Works

Under current legislation, in broad terms, the University automatically owns certain types of Intellectual Property created by University Staff in the course of their employment. However, in recognition of the unique status of a University and acknowledging a long-standing academic tradition, the University does not assert ownership of Intellectual Property that the University deems to be of a non-commercial nature. These include pedagogical works, scholarly publications, books or artistic works of University Staff, regardless of the form of expression. This exception does not apply to:

- UL IP that is created pursuant to a contract between the University and a third party, unless there is a written agreement to the contrary; or
- copyright in software or database rights; or
- UL IP used in the delivery of University educational programmes in electronic format; in those circumstances, the University reserves the right to use such material for the delivery of any educational and training programmes on a perpetual, royalty-free, non-exclusive basis.

2.11 Conflicts of Interest

Conflicts of interest may arise in connection with IP commercialisation. Examples of such conflicts of interest include, but are not limited to, a person using their position to:

- influence a contract or other favourable terms for a company in which they, or a connected person have a financial interest,
- use University resources or confidential information for personal financial or nonfinancial benefit or benefit to a connected person,
- use University resources or confidential information for personal financial gain, or to benefit a company in which they, or a connected person, have a financial interest,

- conducting business, employment or activity outside of the University which adversely affects the individual's ability to perform their duties.

Where an actual or perceived conflict of interest arises in connection with IP commercialisation they shall be managed in accordance with the relevant policies set out in Section 4.

3 Related Procedures for Intellectual Property

3.1 Procedures for Management of Intellectual Property

The purpose of these procedures is to support the assessment, and where appropriate, protection and commercialisation of UL IP arising from UL research activities. Creators are central to the successful commercialisation of UL IP and these procedures require their full support and involvement. All Creators have a responsibility to support UL in the protection and commercialisation of the UL IP at all stages.

3.1.1 Invention Disclosures

All Creators of UL IP are required to disclose to the TTO all research results with potential commercial application and which arise, or are likely to arise, from their work at the University. Such disclosures must be made in writing as soon as reasonably possible and submitted in an invention disclosure form (IDF) prescribed by the TTO. The IDF shall include the names of all Creators. In the case of patentable inventions, Article 17 of the Irish Patents Act 1992, stipulates that the inventor has the right to be named as inventor on a patent application. The TTO shall be responsible for the recording of all submitted IDFs.

3.1.2 Assignment of rights

Subject to any contrary conditions that may exist, (e.g. in respect of a sponsored or other funded research contract) all Creators must assign all rights in their work to the University. The form of the assignment shall be provided by the TTO.

3.1.3 Benefit Share

The respective contributions of the Creators must be notified to the TTO in the IDF and confirmed before commercialisation of the UL IP by way of an executed Benefit Share Agreement. A sample Benefit Share Agreement shall be provided by the TTO.

3.1.4 Commercial Assessment

The TTO will evaluate the IP for commercial potential, patentability and identify a suitable commercialisation roadmap with the Creators. The TTO, in consultation with the creators, shall have the sole responsibility for decisions regarding the filing and continued maintenance of any patent applications. Such decisions shall take into account a range of factors including but limited to: commercial potential of the IP, existing contractual obligations to third parties, maturity of the IP, level of investment need to fully develop the IP, availability of further research or third-party funding to add value to the IP, and Creators(s) support and engagement. Where existing contractual obligations exist in relation to a particular piece of UL IP the IP shall be made available to the relevant party or parties in accordance with the terms of such contractual obligations.

3.1.5 Patent Management

The TTO will be responsible for managing all stages of the patent prosecution process but shall consult with and keep Creators informed. All decisions to continue patent prosecution shall be undertaken in consultation with the Creators. For the avoidance of doubt, the TTO is under no obligation to protect UL IP that does not meet criteria for patentability (novelty, inventive step & industrial applicability) and commercialisation. The TTO shall manage and retain all appropriate records in relation to patent applications and their management. Where the TTO decides not to continue with a patent application, the provisions of Section 3.1.9 shall apply.

3.1.6 Commercialisation

The TTO will maintain contact with the Creator(s) to assess the state of readiness of the UL IP. Once the TTO determines that the UL IP has reached an adequate state of development, a commercialisation plan is developed in consultation with the Creator(s).

Where a potential licensee is identified, the TTO negotiates the terms of an IP Agreement. The right to the exploitation of the University IP will normally be by way of licence. The University shall retain the right to revoke an IP Agreement where the company is not pursuing commercialisation of the UL IP. Where appropriate the relevant funding agency approvals are sought. Once all necessary approvals are in place, the IP Agreement is submitted to the VPRI for sign off. The IP Agreement is then managed by the TTO in consultation with the UL finance office and in accordance with this Policy.

UL will not normally consider an assignment of UL IP until such time that UL is satisfied that certain criteria can be met, including but not limited to:

- the licensee has financial resources to deliver any agreed commercial plans;
- any assignment of IP shall be for the fair market value of the IP, such value shall be established by the TTO and may involve external experts;
- the assignment has no negative impact on UL's research activities.

3.1.7 Publication, Confidentiality and Open Access

It is University policy to encourage publication of results of research as soon, and as fully, as may be reasonable and possible, in compliance with national obligations on Open Access publishing. Creators of UL IP should exercise caution with respect to any publication. Premature publication of the details of an invention/discovery may make it impossible to later seek patent protection. In any case of doubt, as to whether to publish or not, the advice of the TTO should be sought. Creators engaging in research activities must manage confidential information (internal or external) and UL IP in accordance with any relevant contractual obligations and the National IP Protocol.

Notwithstanding the foregoing, in respect of scholarly publications and related research outputs created by University Staff, the University shall be granted a non-exclusive, irrevocable, royalty free licence to use, reproduce, make available, and distribute such works to the extent necessary to comply with applicable legal, regulatory, or funder imposed open access requirements, and any University policies adopted to give effect to such requirements. This licence shall apply only to the extent that it is consistent with any applicable third party agreement or legal or regulatory restriction and shall be subject to obligations relating to confidentiality, data protection, and commercialisation.

3.1.8 Record Keeping and Laboratory Notebooks

It is important that Creators understand that their records may be subject to legal scrutiny in the securing of protection for Intellectual Property (e.g. patent protection). This requires the maintenance of accurate and contemporaneous records of the steps leading to their invention/ discovery. Accordingly, data generated in the course of research should be held in laboratory notebooks or in an electronic format, suitably backed-up. The University requires that such data be securely archived upon completion of a research project. The period of retention will depend on the requirements of individual funding agencies, and the terms and conditions of contracts of sponsoring bodies.

3.1.9 Relinquishing of rights

Where the University decides not to commercialise or otherwise use or exploit UL IP, and where it is legally able to do so, the University will consider any request, from the Creator(s) to obtain ownership of the relevant UL IP. If the University agrees to any such request, then the terms of any transfer of ownership will be subject to the University receiving a fair consideration arising from any successful commercialisation of the UL IP. In addition, the Creator(s) concerned will be required to reimburse the University for costs and expenses incurred in relation to the establishment, registration and maintenance of such UL IP as is deemed in the opinion of the University to be necessary at such time of disposal. Notwithstanding the foregoing, the University will be free to dispose of the UL IP as it deems appropriate.

3.2 Procedures for Management and Approval of a UL Spinout Company

The University will support the formation of a UL Spinout Company where the company objectives are consistent with the National IP Protocol and which include:

- Ensuring commercialisation of UL IP from publicly funded research.
- Maximising the economic and societal benefits and returns to Ireland.
- Providing benefit to the University and incentives to the researchers involved.
- Creating sustainable jobs in Ireland.

Typically, it is appropriate to create a UL Spinout Company when there is:

- A clear value proposition.
- Market opportunity or unmet need.
- A plan to reach the market.
- Clear benefits to founders, investors and the University.
- The expected benefits outweigh risks.
- The Creators are interested in creating the company, are enthusiastic and committed to the venture.
- Potential for economic and social return for Ireland.

3.2.1 Application

A UL Spinout Company application form is completed by the company founders/promoters. This form, together with an outline business plan is submitted for approval to the TTO (applicants are encouraged to contact the TTO in completing this form). Where University Staff are involved in the proposed company, the application should be accompanied by a letter of permission from the relevant line manager (Head of Department. Dean, President) giving approval to their involvement in a UL Spinout Company. In providing this letter the line manager should deal with the potential impacts on the ongoing work of the University Staff, as well as any potential conflicts of interest (see Section 2.11), that may be created should the application be approved.

3.2.2 Review

The TTO will undertake an examination of the UL Spinout Company Application to establish the feasibility of the proposed project. The TTO will conduct such studies as may be appropriate, including consultation with internal and/or external expertise. If the examination generates a positive outcome then the TTO in consultation with the promoters and/or their professional advisers, negotiate the draft terms on which any UL IP will be made available to the UL Spinout Company. The draft terms shall include the IP and equity arrangements.

The agreement on the UL IP will normally be by way of a licence which may be: exclusive or non-exclusive; with rights to sublicense or not; restricted to specific fields of use or not; limited to specific geographic areas or world-wide; for specific period or periods of time or not; required reporting and performance provisions plus arrangements under which either party may terminate the agreement. The licence terms shall include provisions allowing for UL, or its appointed agents, to inspect the accounts and other records for the purpose of ensuring the Spinout Company is complying with the terms of any licence agreement.

3.2.3 Approval and Agreements

The UL Spinout Company application and draft terms agreed between the TTO and the promoters are subject to overall approval by the RCC. The decision of RCC shall be communicated by the TTO to the promoters. The draft terms will be expressed in written agreements which in normal circumstances will be between the University and the UL Spinout Company. Where the final terms contain significant amendments from the draft terms, they shall be subject to further approval by RCC.

Where amendments to license terms are negotiated over time, significant variations to the RCC approved commercial terms shall require further RCC approval. In addition, all amendments to licence agreements shall be reported to RCC.

3.2.4 University Shares

As a general principle, but exercised at the University's discretion, the University will seek a shareholding (UL Share), typically 15% of the initial ordinary share capital of the proposed UL Spinout Company.

This UL Share shall not be diluted by the UL Spinout Company through any share issue, or sale, or acquisition of capital except where UL is satisfied that an at-arms-length transaction is being implemented, and that no other arrangements exist which would have the effect of valuing the UL Share in the UL Spinout Company at a lower value per share than those of other equivalent shareholders.

The terms relating to the disposal of the UL Shares shall be set out in a shareholders' agreement entered into between UL and the other shareholders and shall deal with the following as a minimum:

- Rights attaching to UL Share (drag-along, tag-along rights)
- Procedures for disposal of UL shares
- Board Director/Observer appointments
- Information rights
- Dispute resolution

The TTO shall be responsible for managing UL shareholdings and shareholder rights in UL Spinout Companies and each spinout shall have an agreed reporting structure for all shareholder related matters. The TTO shall provide periodic updates on UL Spinouts Companies to RCC.

3.2.5 Board Rights and Appointing Directors/Observers

UL shall seek the right, exercisable at its discretion, to nominate a director, or an observer, to the board of a UL Spinout Company. In the normal course of events UL shall only exercise such right where, in the opinion of the of VPRI or Director of the TTO, it is in the University's interest.

The appointment of a director/observer by UL shall be subject to VPRI approval and shall be reported to RCC. For the avoidance of doubt, the appointment of directors to a UL Spinout Company shall be governed by the company's Constitution and any applicable Shareholders' Agreement. This Policy does not confer or restrict rights of appointment, which are to be negotiated and agreed in the relevant legal instruments establishing or regulating the governance of the Spinout Company.

3.2.6 Guidance on University Staff and Student involvement in UL Spinout Companies

- University Staff participation in a UL Spinout Company, whether direct or indirect, requires written permission by the University. University Staff so authorised are subject to conditions as laid down by the University from time to time.
- University Staff involved in UL Spinout Company activities owe a primary professional loyalty to the University, and should not engage in any activity likely to be prejudicial to their own, or the University's, reputation and good standing.
- University Staff involved in a UL Spinout Company should ensure that any use made of University facilities in the context of the UL Spinout Company shall be paid for at the market rate.
- The University's stationery, postal address, telephone, fax or email shall not be used in connection with any UL Spinout Company activity, unless by prior written agreement.
- The name of the UL Spinout Company must not use the names of any of the University's Institutes or Centres; or other designations normally associated with the University.
- University Staff involved in a UL Spinout Company need to organise their own professional advice, and to make their own arrangements with respect to indemnity and personal insurances. UL will not accept any liabilities with respect to the activities of such companies howsoever arising.

- Conflict of Interest occurs where there may be an appearance that competing demands as a result of outside activities adversely impacts on the University Staff's ability to meet his/her core responsibilities of teaching, research and other obligations to the University. University Staff have an obligation to ensure that the steps of the University Conflicts of Interest Policy are followed.
- Faculty members are reminded that their participation in a UL Spinout Company activity may be governed by the terms and conditions of the UL Policy on Private Consultancy and External Commercial Work. Where the total involvement in the UL Spinout Company is expected to exceed the limits set out in the UL Policy on Private Consultancy and External Commercial Work then the permission of the relevant line manager or his/her nominee will be required. Such permission, if granted, will be subject to such terms and conditions, including contractual arrangement as may be determined by the University. Such arrangements may include buy out of teaching time or leave of absence.

3.3 Procedures for Income Distribution to Creator(s)

3.3.1 General

The University will have absolute discretion in the distribution of any IP Income or UL Share Income or interest held in a company or any income derived therefrom.

In general, it is intended that (but always subject to the University's discretion) the University will share Net IP Income to incentivise the creation of economic value from research results. Where the University elects to distribute Net IP Income to Creators, it will do so in accordance in the manner set out in this Section 3.3. The TTO shall provide the finance office with instruction regarding any distributions under this Policy.

3.3.2 Distribution of Net IP Income.

Unless otherwise determined by the University in any particular case, the distribution of Net IP Income will be in accordance with Table 1. Amounts shown in Table 1 are gross amounts and any distributions shall be paid in accordance with section 3.3.4.

Distribution to	**Creator(s)**
First €25k	100%
€25,001-€250,000	50%
>€250,000	30%

Table 1: IP Income distribution.

3.3.3 Multiple Creators

Where several Creators collaborate in the creation of an item of UL IP, the Net IP Income in respect of that item of UL IP will be distributed in proportion to the respective shares communicated in the executed Benefit Share Agreement. If the Creators concerned do not agree on their respective contributions within such reasonable time period and or do not furnish an executed Benefit Share Agreement as may be stipulated by the University, then the University will be entitled to distribute the Net IP Income between the Creators in such proportions as it may, in its sole and absolute discretion, deem appropriate.

Where one or more items of UL IP are the subject of a single IP Agreement, the Net IP Income from that IP Agreement (prior to its distribution to the Creators in accordance with this Policy) will be allocated as between those items of UL IP in such proportions as may be agreed between the Creators concerned. If the Creators concerned do not agree on such proportionate allocation within such reasonable time period as may be stipulated by the University, then the University will be entitled to allocate the Net IP Income between the relevant items of UL IP in such proportions as it may, in its sole and absolute discretion, deem appropriate.

3.3.4 Distribution of Net IP Income to Creators

All distributions under this Policy will be paid to Creators in accordance with prevailing tax, financial and auditing requirements and will be subject to statutory and other payroll deductions (e.g. employer PRSI, USC and other statutory). Responsibility for distribution lies with the UL finance office following appropriate instruction by the TTO. It is intended that the distribution of Net IP Income will generally be carried out within 90 days of receipt of such income by UL. Net IP Income will continue to be distributed to Creators even where the Creators relationship with the University has changed (e.g. graduate student or departed University Staff).

3.3.5 Distribution of Net IP Income after Creator share has been distributed

Net IP income distributed between the respective Institutes, Centres and Departments and Faculties of the Creators is at the discretion of the VPRI but, where distributed, shall be used in furtherance of University primary research activities in accordance with EU State aid rules.

- Distribution of Net IP Income from €25,001 to €250,000 inclusive:
    - 30% of Net IP income to be distributed between the respective Institutes, Centres and Departments and Faculties of the Creators at the discretion of the VPRI but to be used in furtherance of University research activities;
    - Balance to University patent and innovation fund.

- Distribution of Net IP Income greater than €250,000:
    - 40% of Net IP income to be distributed between the respective Institutes, Centres and Departments and Faculties of the Creators at the discretion of the VPRI but to be used in furtherance of University's primary research activities;
    - Balance to the University patent and innovation fund.

3.3.6 Distribution of UL Share Income

UL Share Income is allocated to UL and is a separate from UL IP Income. For the avoidance of doubt, UL Share Income is not shared with Creators regardless of their relationship with the UL Spinout Company. UL Share Income distributed between the respective Institutes, Centres and Departments and Faculties of the Creators is at the discretion of the VPRI but, where distributed, shall be used in furtherance of University primary research activities in accordance with EU State aid rules.

Unless otherwise determined by the University in any particular case, the distribution of UL Share Income, after any direct transaction costs have been recouped, will be distributed in accordance with the following allocation:

- 30% to be distributed between the respective Institutes, Centres and Departments and Faculties of the Creators at the discretion of the VPRI but to be used in furtherance of University primary research activities;
- 30% to the University patent and innovation fund;
- Balance (40%) to University strategic research fund to be managed by VPRI.

3.4 Dispute Resolution

The TTO and the relevant Creator(s) shall make every reasonable effort to resolve fairly, by negotiation, any disputes that arise under this Policy. If a dispute cannot be resolved within 30 days of its referral to the TTO, it shall then be escalated to the VPRI. If the dispute is not settled within 60 days of its escalation to the VPRI (or such other period as the parties in dispute may agree from time to time) the Creator(s) may refer the matter to the Dispute Resolution Committee and it shall be dealt with in accordance with Statute No. 3 of the University of Limerick: Dispute Resolution Procedures.

4 Related Documents

University of Limerick Adjunct Appointments Procedure
University of Limerick Policy for Private Consultancy and External Commercial Work
University of Limerick Code of Conduct for Employees
University of Limerick Policy for Disposal of Assets
University of Limerick Statute No. 3
University of Limerick Conflict of Interest Policy
University of Limerick Signing Authority Policy
Ireland's National IP Protocol 2019 - A Framework for Successful Research Commercialisation and related Resource Guide
European Commission Framework for State aid for on Research & Development & Innovations (2022/C 414/01)

5 Document Control

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