

Guidelines for Intellectual Property Regarding Results of Joint Research with Companies

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These Guidelines are to clarify Tohoku University's fundamental position regarding disposition of Inventions (including inventions, devices, creations, breeding, and other technical results that are the subject of patent rights, utility model rights, design rights, trademark rights, circuit layout rights, and plant breeders' rights), Software Programs (including software programs and databases), and Know-How, created or made in the course of joint researches (hereinafter, "Joint Research") with Tohoku University (hereinafter, "TU") as well as applications for the aforementioned, and the obtained rights thereof (hereinafter collectively referred to as "Intellectual Property").

As to the disposition of Intellectual Property resulting from Joint Research, TU will discuss with a research partner company (hereinafter, "Partner Company") in accordance with the Guidelines.

1. Ownership of Rights

The ownership of rights relating to the research results (hereinafter, "Research Results") will be determined through mutual consultation between TU and Partner Company upon confirmation of the actual contribution of respective researchers who were involved in the creation of such Intellectual Property.

2. Solely Owned Intellectual Property of TU

TU promotes the utilization of its solely owned Intellectual Property (hereinafter, "TU Sole Intellectual Property") towards the social implementation thereof.

This will be achieved through implementation of such Intellectual Property by companies and thus, TU expects Partner Company to primarily exploit the Intellectual Property that is the results of Joint Research even it is solely owned by TU.

TU, therefore, grants a first option to take a license under such TU Sole Intellectual Property to Partner Company. The option period will be a certain period of time and the option will be free of charge during that period. Extension of the initial option period is possible subject to a fee and TU will ask Partner Company to bear the expenses for the application and maintenance of the TU Sole Intellectual Property.

3. Jointly Owned Intellectual Property

With regard to the Intellectual Property that TU and Partner Company jointly own (hereinafter, "Jointly Owned Intellectual Property"), the details of terms and conditions of such will be discussed and determined in accordance with the "Options and Terms for Jointly Owned Intellectual Property" below, taking a fair consideration into account about the differences in positions of TU as a National University Corporation and Partner Company as a for-profit company.

4. Research Utilization and Use of TU Name

If Partner Company wishes to use the TU's name or TU's logo for production and/or sales of products, provision of services, or any other conducts utilizing the Research Results of Joint Research, TU will review such use in accordance with the University policy. An agreement on the use will be concluded upon approval, which will be subject to a fee.

Options and Terms for Jointly Owned Intellectual Property

Option 1) Assignment to Partner Company

Assignment of TU's ownership share in the Jointly Owned Intellectual Property is possible subject to a fee.

Option 2) Exclusive or Non-exclusive License of Partner Company under following Terms

(1) If Partner Company desires to obtain an exclusive license under Jointly Owned Intellectual Property, such license will be subject to a fee.

The exclusive license shall be subject to a provision that allows TU to grant a non-exclusive license to a third party, to prevent the Jointly Owned Intellectual Property, the Research Results of Joint Research, from being withheld by Partner Company, in the event Partner Company is deemed to have obtained such license for protective purposes (known as "Defensive Patent"), or does not actively utilize the Intellectual Property without fair and persuasive reasons.

With regards to the Jointly Owned Intellectual Property not actively utilized, TU recognizes that some, such as materials, chemicals and drug development, require considerable time, more so than others. TU will consult with Partner Company for appropriateness of delay if any, considering Partner Company's status and prospects on commercialization. Furthermore, even if Partner Company opts not to take an exclusive license, TU may regard that Partner Company is an exclusive state if the

Jointly Owned Intellectual Property is extremely difficult to be utilized by third parties, or if it is substantially restricted for TU to grant the license the Jointly Owned Intellectual Property to companies other than the Partner Company, considering the related technologies, and patents, as well as the market development and trend.

- (2) Exploitation of Jointly Owned Intellectual Property by Partner Company is subject to royalty payment even if it does not have an exclusive license, in light of the differences in positions of Partner Company as a for-profit company and TU as a National University Corporation which cannot commercially exploit Intellectual Properties.
- (3) When a patent application is filed for a jointly made Invention as a Jointly Owned Intellectual Property, TU asks Partner Company to bear all costs and expenses required for filing application and maintenance after the patent registration of the Jointly Owned Intellectual Property.