

ECOIND policy on intellectual property rights and exploitation of research results

INTRODUCTORY NOTES

National Research and Development Institute for Industrial Ecology - ECOIND (hereinafter: the “**Institute**”) is an institute constituted under Romanian law whose main task is to conduct scientific research and technological development.

Work within the scope of the Institute may generate *research and development results* that become available to the public through dissemination/ publication in scientific and professional journals and presentations at scientific and professional meetings, as well as *other various forms of intellectual creations suitable for Commercialization* (“**Inventions or Works**”), which should be accordingly protected by appropriate forms of Intellectual Property Rights or mechanisms, as these are defined anywhere in the world.

The Institute recognizes the importance of adopting a strategy for the evaluation and management of its innovative results, Inventions or Works, and their corresponding Intellectual Property Rights, and for this reason, with this Policy, it strives to create conditions suitable for innovation, creative work and successful technology transfer through the exploitation of the results arising from the activities of the Institute (**Commercialization**), while respecting academic freedom and the freedom of scientific work of the Institute.

In this document, unless the context requires otherwise, words in the singular include the plural and vice versa, words importing the masculine gender include the feminine and vice versa.

The objectives for which the document is adopted are:

- ❖ Encouraging the creation of Inventions or Works based on scientific research;
- ❖ Creating optimal conditions for the protection of Inventions or Works by the Institute, through intellectual property rights and other means;
- ❖ Establishing basic conditions for the successful management / Commercialization of the Institute’s Intellectual Property, including establishing homogeneous principles and criteria that regulate the transfer of technology.

GENERAL PROVISIONS

Article 1.

This Policy regulates the procedure and conditions under which Inventions or Works developed at the Institute may be protected through Intellectual Property Rights, the conditions and payment of the incentives applicable to the Authors of the Inventions or Works developed at the Institute, and the mutual rights and obligations of the Institute and the Authors in case of Commercialization of the Inventions or Works developed at the Institute.

All provisions of this Policy shall be interpreted and applied in accordance with the applicable legal framework, including but not limited to the relevant provisions of Romanian legislation governing intellectual property and technology transfer. In any case where the Policy does not provide specific guidance, the applicable legal provisions shall supplement and complete the interpretation and implementation of this Policy. In case of any conflict or inconsistency, the imperative provisions of Romanian law shall prevail.

Article 2.

The provisions of this Policy are binding for all employees and collaborators of the Institute, in cases where they create Inventions or Works out of or in relation to the work performed by the employee or collaborator at the Institute during their employment relationship, as well as two years after the termination of their employment relationship with the Institute.

For the avoidance of any doubt, the provisions of this Policy are binding on all other persons participating in the work of the Institute irrespective if they are engaged through a formal employment agreement or other form of collaboration (e.g. external collaborators, undergraduate and postgraduate students).

Article 3.

The Institute's Intellectual Property, in the sense of this Policy, consists of a set of Inventions or Works created either *(i)* by following instructions from the Institute, or *(ii)* based on knowing or using the Institute's experience through the use of the Institute's material means, or *(iii)* as a result of the education and training acquired through the care and at the expense of the Institute, or *(iv)* through the use of information resulting from the Institute's activity or made available by the Institute.

In the sense of this Policy, Inventions or Works developed at the Institute consist of innovative or new, creative results of scientific research, irrespective of the form that the result takes and the rights or mechanisms used in protecting it from the point of view of Intellectual Property,.

In particular, Inventions or Works developed at the Institute may come in the forms of assets that may be subject to the following types of protection:

- ❖ **Patents:** Technical solutions to a problem – either *products* or *processes* (including, but not limited to inventions in the field of bio-technology, such as composition of matters, biological materials, microbiological procedures, etc, as well as in any other field, technological prototypes) that are novel, involve an inventive step, and are susceptible of industrial application.
- ❖ **Utility Models:** Any technical invention provided that: it is new, goes beyond the level of mere professional skill, and is susceptible of industrial application. The subject matter is similar to that regarding patents, only the utility models' requirements do not require an inventive leap, but a lower threshold of innovativeness (such as: functional improvements to existing devices or processes).

- ❖ **Designs:** Industrial designs or aesthetic creations related to the form or appearance of an object (either in 2D or 3D). For example, the exterior form a prototype, robot, etc.
- ❖ **Copyright:** Copyright only protects a certain form of expression, never the idea, principle, concept beneath. In Romania, the following subject matter may be protected through copyright:
 - **Software:** Original computer programs or algorithms, including related documentation and databases, which are the result of research and development. In Romania (similar to the EU), software is rather copyright subject matter. The threshold for patentability of software is rather high and usually patents are granted to hardware – software innovations.
 - **Databases:** Structured compilations of information created as a result of research activities. Databases are subject to a specific form of copyright protection.
 - **Scientific Publications:** Research papers, articles, and other scholarly works published in scientific journals or presented at conferences, irrespective of the field of research.
 - **Other Creative Works:** Any other innovative or creative products or processes that arise from scientific research or development activities at the Institute, including artistic or literary works when applicable.
- ❖ **Trade secret. Confidentiality over Know-how and other Information:** Technical expertise, methodologies, practices or other type of information that are confidential and provide a competitive advantage to the Institute. Know-how can be protected as a **trade secret** or, in some instances, through **copyright** (if expressed in a certain form – i.e. a particular description of that know-how – but copyright only grants protection over that form and not the idea or principle underneath). **Algorithms** can only be protected via trade secret/confidential information (they are too abstract to be patentable subject matter and functional, therefore incompatible with copyright subject matter).
- ❖ **Trademarks:** Distinctive signs, colours, symbols or shapes created to represent and distinguish the Institute's products or services from those of other entities or persons.

Article 4.

Technological Transfer Centre ECOIND (hereinafter: CTT) or heads of the scientific research departments of the Institute are obligated to familiarize the Institutes' staff, researchers, as well as the collaborators and partners of the Institute with the advantages of innovating and seeking protection for Inventions or Works. This includes ensuring awareness of the Institute's Intellectual Property Rights policy.

Heads of departments shall submit annual reports to the director of the Institute on the creation and possibilities of creating new Inventions or Works in the groups they manage. Other researchers at the Institute may submit these reports to the director of the Institute.

The director of the Institute decides on the further handling of the reported Inventions or Works. The central principle that guides the director's decision is the maximization of the estimated final Commercialization success for the Institute, while also requesting an opinion from the authority responsible for technology transfer within the Institute and taking it into account.

PROCEDURE IN CASE OF INNOVATION LEADING TO INVENTIONS OR WORKS

Notice on Inventions or Works

Article 5.

When an employee of the Institute assesses that the results of his work may qualify as an Invention or Work, obtained in any of the ways referred to in Article 3 of this Policy, she/ he is obligated to inform the Institute about the Invention or Work before publishing / disseminating the Invention or Work or any document that would contain information about it.

Article 6.

The author of the Invention or the Work completes and presents information regarding the results of his work that may be the subject of the Invention or the Work in accordance with Work Instruction IL-16 Registration, dissemination and valorisation of the results of research and development activities using the form Record of the results of research and development activities research and development (according to Order 6199/2020).

Article 7.

The Author of the Invention or Work is obligated to provide the Institute all the necessary information for the purpose of its protection (e.g. through a patent, utility model, trade secret, design, trademark, copyright, etc.).

Article 8.

Based on the forms submitted by the Author(s) of the Invention or Work in accordance with Articles 5 and 6 in this Policy, CTT examines the Invention or Work and evaluates:

- ❖ Whether the proposed Invention or Work meets the requirements for patentability or registration for protection under a different type of intellectual property right (utility models, copyright, trademarks, industrial designs, trade secret, etc), if the case;
- ❖ If the expected financial benefits of its Commercialization exceed the costs of protecting the Invention or Work through Intellectual Property Rights;
- ❖ Whether the right of exploitation (license) of the Invention or Work might be granted;
- ❖ If the Invention or Work enables the acquisition of further or additional Intellectual Property of the Institute;
- ❖ Whether the protection of the Invention or Work will benefit from:
 - receiving support for research and development at the Institute;

- the possibility of assigning or licensing the Intellectual Property Right to a third-party in exchange for research equipment and/or funds, entering into business relations with venture capital, establishing a spin-off company, etc.;
- ❖ Whether protecting the Invention or Work is in the national interest.

Article 9.

CTT shall propose further courses of action for managing the Invention or Work, which may include, but are not limited to:

- ❖ **Qualifying the Invention or Work** as per the provisions of the law (especially Order MEC 6125/2020 regarding Intellectual Property Guide).
- ❖ **Proposing a patenting strategy, if applicable.** Defining the scope, type, and geographical extent of patent protection for the Invention or Work;
- ❖ **Exploring alternative protection methods.** Recommending other forms of intellectual property protection, such as utility models, trade secrets, copyright, industrial designs, etc., as applicable.
- ❖ **Proposing the waiver or relinquishment of the Institute's Intellectual Property Rights** over the Invention or Work **in favour of the employee or collaborator**, if deemed appropriate in specific cases.

Article 10.

CTT is obligated to ensure compliance with all deadlines in any and all Intellectual Property registration procedures concerning Inventions or Works, in Romania and abroad.

The recommendations made by the CTT to the Director of the Institute concerning the management of the Invention or Work shall be made in accordance with the applicable intellectual property legislation, and any relevant cooperation agreements in force, while also respecting the Author(s) corresponding rights and interests, as well as those of any other interested third - parties.

In the case of seeking international protection for Intellectual Property, CTT shall propose the appropriate national and/or regional intellectual property offices where the national, regional or international phases of the application for the registration of intellectual property rights process will be pursued. This recommendation shall apply to all forms of intellectual property rights (patents, designs, utility models etc.), and any other relevant protections.

Adoption of the Decision on the Protection of Inventions or Works

Article 11.

The final decision on the Invention or Work is made by the Director of the Institute based on the proposal of the CTT Office. The director's decision should specify the manner in which the Invention or Work will be handled including the type of Intellectual Property Rights protection to be sought, if the case.

Article 12.

If the Institute waives its Intellectual Property Rights to patent the Invention or Work or to file for a utility model, the Authors have the right to independently pursue further financing and / or Commercialization of the Invention or Work, but without using the Institute's resources, including the name and logo.

For Works protected by copyright, the specific procedure PSP-26 Intellectual Property is followed in order to establish the ownership right over the Work.

FILING A PATENT OR UTILITY MODEL APPLICATION

Patent attorney

Article 13.

In the event of a decision to file a Patent Application for the protection of an Invention, the Institute may hire a patent attorney to conduct the Patent Application procedure, in accordance with the applicable law, on behalf of the Institute.

The patent attorney is obliged to take care of meeting the deadlines and timely warn the Institute, through its relevant representatives, about the need to make decisions on the recognition of the Patent.

A patent attorney can be involved in writing the Patent Application and preparing the accompanying documentation related to the legal protection of the Invention or Work. The patent attorney, on the basis of a power of attorney, represents the Institute before the State Office for Inventions and Trademarks of Romania and before regional or international patent offices.

The patent attorney for a particular Invention or Work is proposed by CTT, from the list of patent attorneys registered with the relevant intellectual property office or who can ensure representation in accordance with the relevant provisions of the law, while trying to select the most suitable expert for the field(s) to which the Invention or Work relates.

Patent Application. Utility Model Application

Article 14.

When the Institute makes a decision on filing a Patent Application or a Utility Model Application for an Invention, the CTT will contact the Author of the Invention and ask him to submit the text of the Patent

Application or of the Utility Model Application in accordance with the specific procedure PSP-24 Invention Patent.

In the event that the Author of the Invention or Work needs professional help for the preparation of the Patent Application or of the Utility Model Application, they will report this, to the CTT.

To secure the Intellectual Property Rights of the Institute, a decision to hire a patent attorney may be made by the director of the Institute, based on the recommendation of the CTT.

Article 15.

After receiving the final version of the Patent Application or Utility Model Application, the Institute, through its representatives, will initiate the Patent Application or the Utility Model Application procedure regarding the Invention or Work before the competent intellectual property office.

Patent Application under the Patent Cooperation Treaty (PCT). Utility Model Application under the PCT

Article 16.

The Institute can use the national route or international PCT route during the Application procedure.

If the Institute decides that, after submitting a Patent Application or Utility Model Application in Romania, it does not want to submit a Patent Application or Utility Model Application in accordance with the PCT route, the Institute may notify the Author(s) with regards to waiving such prerogatives (and limiting their rights to the national Patent Application only) to enable the Author(s) to personally submit an international Patent Application at their own expense.

If the Institute decides that, after submitting a Patent Application or Utility Model Application in Romania, it does not want to enter the national / regional phase in some countries, it can waive the right to ownership of the Invention or Work, notifying its Author(s), enabling them to personally submit an international Patent Application or Utility Model Application at their own expense.

PROTECTION OF THE INVENTIONS OR WORKS AS TRADE SECRETS OR THROUGH COPYRIGHT

Trade Secrets

Article 17.

Trade Secrets refer to any information that is not generally known or readily accessible to persons within the industry, which provides the Institute a competitive advantage. This includes, but is not limited to,

technical data, know-how, formulas, practices, processes, designs, instruments, patterns, or other confidential information that meets the criteria set forth under the applicable legislation.

To qualify as a Trade Secret, the information regarding the Invention or Work must meet the following criteria:

- ❖ It must be secret, meaning that it is not generally known or easily accessible to individuals who usually deal with this type of information;
- ❖ It must have economic value derived from its secrecy;
- ❖ It must be subject to reasonable steps to maintain its confidentiality, including restrictions on access on dissemination (such, but not limited to: non-disclosure agreements).

Other Confidential Information – refer to other information, that do not qualify as *trade secrets*, which, if disclosed, are capable of generating damages to their legitimate handler.

Article 18.

All Authors, employees, and any third parties involved in research and development activities at the Institute undertake a duty to maintain confidential all information related to the Invention or Work until a Decision is granted as per Article 12.

Such confidentiality duty may extend for an additional period of time, as per the Decision, depending on the Intellectual Property Strategy adopted with regards to the Invention or Work. Such confidentiality duties are not subject to the signing of an additional agreements as deemed as undertook by the employees and collaborators upon accepting this IP Policy as part of their contracts with the Institute.

However, the employees and collaborators shall sign confidentiality agreements in accordance with the requirements of system procedure PS-05 Human resources.

The obligation to maintain the confidentiality of the Inventions or Works protected as Trade Secrets of the Institute shall remain in force for all concerned parties for as long as the information regarding the Invention or Work meets the definition of Trade Secrets.

The obligation to maintain the confidentiality of other Confidential Information shall prevail to the maximum period permitted by law.

Article 19.

The Institute shall establish and enforce procedures for identifying, managing, and protecting Trade Secrets within its operations.

Authors shall be obligated to disclose any information they consider a Trade Secret to CTT.

Any agreements or contracts related to research and development must explicitly state the treatment of Trade Secrets to ensure that all parties understand their rights and responsibilities regarding confidentiality.

Any unauthorized acquisition, disclosure, or use of Trade Secrets shall be considered misappropriation and may result in disciplinary action, including legal action for damages. The Institute reserves the right to take necessary legal measures to protect its Trade Secrets from unauthorized use or disclosure.

The present article also applies, correspondingly, to other Confidential Information that does not qualify as trade secret.

Article 20.

The confidentiality obligations shall not apply to information about the Inventions or Works that:

- ❖ Is or becomes publicly available through no fault of the receiving party.
- ❖ Is independently developed by the receiving party without access to the Trade Secrets of the Institute.
- ❖ Is disclosed with the prior written consent of the Institute, as the owner of the Trade Secret(s).
- ❖ Must be disclosed in compliance with applicable laws or regulations, provided that the disclosing party gives prior notice to the Institute. In this case, the Institute will take appropriate measures to limit the exposure of its Trade Secrets.

Copyright

Article 21.

Copyright refers to the legal rights granted to the Authors of original works of intellectual creation, as defined by Law no. 8/1996 on Copyright and Neighbouring Rights. Copyright protection applies to the following types of Works developed within the Institute:

- ❖ **Software:** All original forms of expression for computer programs. Kindly note that copyright only covers the literal and, on some rather limited instances, non-literal forms of expression for a computer programs, such as: source code, object code, related documentation created as part of research and development activities to generate a software, as well as other expressive elements. However, copyright protection does not cover functional elements, such as algorithms, the principles beneath the functioning of the software, the idea etc.
- ❖ **Databases:** Any structured compilations of works, data or other independent elements, whether or not protected by copyright or neighbouring rights, including collections of scientific data, research results, and any associated documentation, that demonstrate

originality in the selection or arrangement of the content, individually accessible by electronic or other means.

- ❖ **Scientific publications:** Research papers, articles, theses, and other written works produced as a result of scientific inquiry, research and development are all deemed as *literary* works, thus copyright subject matter.
- ❖ **Other creative works:** This may include artistic, musical, and audio-visual works created by Authors within the scope of their employment or as part of their research and development activities.

Article 22.

The Institute shall ensure that Copyright and neighbouring rights assignment clauses, in its favour, are included in contracts wherefrom copyrightable Work may arise:

- ❖ from confidentiality agreement annex to job description in accordance with system procedure PS-05 Human resources
- ❖ in relation to a project funded by the Institute or in relation to a sponsored project, research contract, secondment, or from the scope of work of any other form of agreement that the Institute is paying for;
- ❖ from a project involving co-Authors that has been initiated, coordinated and under the responsibility of the Institute.

Article 23.

Authors shall retain moral rights over copyrighted Works, including the right to be recognized as Authors of their respective Works and the right to object to any derogatory treatment of their works, as outlined in Romanian law.

Copyright protection arises automatically upon the creation of a work. Based on copyright assignment clauses, the Institute may choose to register its copyrighted Works with the Romanian Copyright Office (ORDA) to facilitate enforcement and establish proof of authorship. The CTT shall govern this process.

Article 24.

All Copyright and neighbouring rights assignment clauses in the Institute's contracts shall contain the following mandatory elements:

- ❖ the type of intellectual property rights (except for moral ones) that are subject to assignment;
- ❖ the mode of utilizing each of the assigned intellectual property rights;
- ❖ the period of time for which each intellectual property rights is assigned;

- ❖ the territorial ambit for each assigned intellectual property right (such as worldwide, national, etc.);
- ❖ the Author's remuneration for the assignment of the intellectual property rights.

Copyright and neighbouring rights assignment clauses in the Institute's contracts may contain mention regarding the exclusive or non-exclusive character of the assignment. Absent an express mention, the assignment is presumed to be non-exclusive.

In the absence of collective agreements or collective contracts of employment providing for a mechanism comparable to the mechanism set out in this Article, Authors shall be entitled to fair and appropriate additional remuneration from the Institute or its successors in title. This additional remuneration right shall apply when and subject to the originally agreed remuneration being clearly disproportionately low compared to the subsequent relevant net revenue, which significantly exceeds the original estimation, derived from the exploitation of the copyrighted Works.

DISTRIBUTION OF INTELLECTUAL PROPERTY RIGHTS

Article 25.

Intellectual Property that is created while working for the Institute is the property of the Institute, unless otherwise specified in the relevant contract, to the full extent permissible by law.

The Institute, the employees, the collaborators and all other persons falling under the scope of this IP Policy undertake to collaborate in good faith to ensure the Institute's ownership over Inventions or Work falling under this IP Policy, to the maximum extent permitted by law. Where case may be, the employees, the collaborators and all other persons falling under the scope of this IP Policy undertake to sign any additional agreements to ensure effective Intellectual Property Rights in favour of the Institute, while also benefitting of a fair and equitable regime.

For Intellectual Property Rights that cannot directly arise in the patrimony of the Institute (e.g. copyright, etc.), each contract / agreement on the basis of which or in relation to which the Invention or Work and / or the Intellectual Property is created shall contain clauses of assignment of intellectual property rights in accordance with this Policy. The Institute may grant licenses to third parties for the use of the Inventions or Works, provided that such agreements are documented in writing and comply with relevant laws (Order MEC 6125/2020 regarding Intellectual property guide).

Any transfer of ownership over the Inventions or Works from the Institute to the Author or any other third party must be executed through a written agreement specifying the rights being transferred and any conditions attached.

Inventions or Works and / or Intellectual Property Rights that arise as a result of scientific research and technological development carried out in cooperation with other domestic and / or foreign scientific institutions are distributed in accordance with the share determined by the cooperation agreement, with the respect of all rights pertaining to third – parties to such cooperation agreement.

Article 26.

Intellectual Property that arises as a result of the execution of contracts concluded with economic entities is distributed in proportion to the share determined by the corresponding contract negotiated between such parties, while also following these guidelines:

- ❖ When the financial contribution of the other contracting party amounts to less than 20% of the total costs, the Institute shall fully retain the intellectual property rights over the Invention or Work, while providing the partner with a license to exploit, in return, upon request, the Intellectual Property. The terms of such license are to be negotiated between the parties.
- ❖ When the other contracting party requests the sharing of Intellectual Property with the Institute, that sharing should be proportional to the share in the funding and with the contribution to the creation of the Invention or Work of that contracting party, the Institute and other possible external partners. When determining the share of the Institute, direct and indirect costs should be taken into account;
- ❖ When the other party claims all intellectual property rights, this can be agreed to if that party fully funds the research and development activities in question. In such cases, during negotiations, the Institute should ensure its right and the rights of its employees to further use such Intellectual Property for scientific purposes by obtaining a license back.
- ❖ Whenever possible, the Institute will try to secure the right to publish scientific research results, as long such publishing does not jeopardize any strategy to file for a form of Intellectual Property protection;
- ❖ All agreements regarding the distribution of intellectual property rights with external financial partners or agencies must refer to a specific project or research. Intellectual Property existing at the date of commencement of the project or research, Inventions or Works that have been previously developed and prior Inventions or Works that each party brings to the project or research without forming part of the contract (hereinafter "**Background Intellectual Property**") must be clearly defined and excluded from the Intellectual Property, Inventions or Works related to the project. When the project relies upon previously developed Background Intellectual Property – the conditions and terms under which a license to use such Intellectual Property is granted, to the benefit of the project or research, shall also be part of the negotiations.
- ❖ The Intellectual Property that employees of the Institute may develop accidentally or outside the scope of the collaboration between the Institute and the partner, and which is not part of the goal of the project, is not subject to distribution between the contracting parties. This exclusion also applies to the period after the completion of work on that project;

- ❖ The contracts in which the intellectual property rights are distributed regarding an Invention or Work that arises as a result of or in connection to research financed by external partners shall acknowledge the rights (both monetary and moral in nature) of all those who significantly contributed to the creation of the innovation, irrespective if they are direct parties to the distribution agreement or not. In this regard, the contracts shall impose the requirement to have a full disclosure of all inventors and the Institute and contracting party shall acknowledge that the distribution agreement will not impede on third parties' rights over such Invention or Work, proportionately with their contribution.
- ❖ In all contracts, it should be noted that if the scope of the project or research changes significantly compared to the original plan or stages, the contract will be amended.

In case an external associate or visiting scholarship holder works in another institution, a tripartite agreement can be concluded with a clause obliging the Institute not to claim Intellectual Property rights arising from the work of that person in another institution, and that other institution will not claim Intellectual Property rights which are created by the work of associates or scholarship holders at the Institute.

COMMERCIAL USE OF INTELLECTUAL PROPERTY

Article 27.

The Institute will initiate and implement all necessary activities for the commercial exploitation of its Intellectual Property Rights. The Institute may Commercialize Intellectual Property primarily:

- ❖ Through services based on Intellectual Property;
- ❖ Through the assignment or licensing of intellectual property rights;
- ❖ By establishing spin-off companies whose primary purpose is the exploitation and Commercialization of the Institute's Intellectual Property, in accordance with the applicable legal provisions.

REWARDING THE AUTHORS OF INVENTIONS OR WORKS

Innovation Submission Award

Article 28.

In cases where the Institute is interested in protecting and/or exploiting the reported Invention or Work (as notified by the Authors pursuant to the provisions of this Policy), the Author of the Invention or Work

retains the moral right to be listed as the Author of that Invention or Work, as well as the right to a monetary reward by the Institute.

Such award has no prejudice over the monetary rights due to the Author under the provisions of imperative laws, as dealt with under Article 30 of this Policy. The award regulated by this Article 28 shall be granted irrespective of actually obtaining effective commercial results from the exploitation (Commercialization) of the Invention or Work.

The CTT proposes candidates for the award to the director of the Institute. The decision on the amount of the monetary award is made by the director of the Institute.

Where the Author of the Invention or Work is an employee and the Institute has classified the Invention or Work as an Employment Invention, the Institute shall pay regard to all minimum thresholds imposed by law for the remuneration of the inventor.

In the case when the Invention or Work has multiple Authors, the award is distributed among them in proportion to their shares in the creation of the Invention or Work, as determined in the form submitted to and approved by the Institute.

Article 29.

Any mandatory remuneration of the Author(s) of an Invention or Work that the Institute classifies as an employment invention shall be determined based on the following criteria:

❖ Contribution to the Invention or Work

- The remuneration shall reflect the extent of each Author's contribution to the creation of the Invention or Work, as documented through laboratory notebooks, research reports, or other verifiable means.
- If multiple Authors are involved, the total remuneration shall be distributed according to their respective contributions as outlined in a formal agreement or, where no agreement exists, as determined by the Institute, based on the form included as appendices within specific procedure PSP-24 Invention Patent.

❖ Economic Value of the Invention or Work

- The remuneration shall be influenced by the commercial potential of the invention. Higher compensation may be granted if the Invention or Work results in significant revenue through Commercialization.
- A portion of the remuneration shall be fixed and provided to the Author(s) regardless of Commercialization. An additional performance-based component may be awarded based on the success of the Commercialization efforts.

❖ The Institute's Financial Investment leading to the creation of the Invention or Work

- The Institute's financial, infrastructural, and human resource investment in the development of the employment invention shall be considered. Larger investments

by the Institute may reduce the percentage of revenue shared with the Authors, as more resources were required to bring the Invention or Work to completion.

Shares in case of Commercialization

Article 30.

In case of commercial exploitation (Commercialization) of the Invention or Work generating revenue stream, the revenues minus the costs incurred in the Commercialization process are shared between the Author of the Invention or Work and the Institute in a ratio of 50:50.

If more than one person participated in the creation of the Invention or Work, the income derived from the 50% quota is divided and shared between them in accordance with the percentage share of authorship in the innovation. In case the service or product is based on other works, the Author of the latter works is entitled to a part of the aforementioned share in the percentage by which his work(s) contributed to the Invention or Work.

CONFIDENTIALITY

Article 31.

Pursuant to the provisions of Article 19 of this Policy, Invention or Work can (and most of the time will) bear Trade Secrets or other Confidential Information. In order to protect the rights of all parties involved, any information about an Invention or Work shall be deemed as confidential and the receiving party/holder of such information has to respect any confidentiality obligation assumed as per the IP Policy or under the signed confidentiality agreement annex to job description in accordance with system procedure PS-05 Human resources or any other agreement.

It is not allowed to publicly present information about the existence, character and purpose of such Inventions or Works.

This provision represents a reasonable measure to keep such information confidential and no additional mechanisms (such as explicit designation of information to be deemed as confidential) are required.

The Institute and the author of the Invention or Work will keep confidential (including through its commercial protection) all information related to the Invention or Work until the moment it becomes public knowledge, and in the case of Patent or Utility Model protection, Industrial Designs or other forms of protection that involve publishing - until the moment of publication of the patent, utility model or design. After those moments, the Author has the right to present to the public only the data published in the published application.

In case of further development of the Invention or Work, the Authors are obligated to keep the confidentiality of the Trade Secrets and Confidential Information and to start a new procedure for the protection of the newly created Intellectual Property based on this Policy.

Data labelled as a Trade Secret or Confidential Information will not be published.

The Author may not disclose information about the Invention or Work to a third party without the prior written approval of the Institute until the publication of the Application, except in the case where the Institute waives its Intellectual Property Rights, in which case the author needs the prior written approval of the Institute to disclose information about the Invention or Work to a third party until the decision of the Institute to waive ownership of the intellectual property rights over the Invention or Work.

KEEPING RECORDS ON INTELLECTUAL PROPERTY

Article 32.

CTT keeps records of the Institute's Intellectual Property.

The record contains the following:

- ❖ Record sheets for the results of research and development activities (according to Order 6199/2020) in accordance with work instruction IL-16 Registration, dissemination and capitalization of the results of research and development activities
- ❖ Register of evidence of the results of research and development activities, in accordance with work instruction IL-16 Registration, dissemination and capitalization of the results of research and development activities
- ❖ Protocol regarding the individual participation quotas, in accordance with the specific procedure PSP-24 Invention patent
- ❖ Any applications for registration of intellectual property rights in respect of the Invention or Work: patent applications / utility model applications / copyright registration submissions / trademark applications / non-disclosure agreements regarding trade secrets, etc.;
- ❖ Power of attorney of the patent attorney, where the case;
- ❖ All further documentation of in the procedures for registration of intellectual property rights in the country and abroad;
- ❖ Confidentiality agreements attached to the job description according to the PS-o5 Human Resources system procedure (to be kept in the Human Resources department)
- ❖ Other relevant documentation related to the Institute's Intellectual Property.

All of the above records and documentation are confidential.

TRANSITIONAL AND FINAL PROVISIONS

Article 33.

The director of the Institute shall be required to submit an annual report to the executive body of the Institute on the status of the Institute's Intellectual Property portfolio, including the results of its commercial exploitation and any related financial returns.

Article 34.

This Policy applies to Intellectual Property created or notified to the Institute after its entry into force.

All rights acquired before the entry into force of this Policy remain unchanged.

Article 35.

This Policy enters into force on the day of its adoption, provided that it is notified to all persons falling within its scope at least 10 days in advance, if applicable.

APPENDIX 1: Glossary of terms

Author:

One or more natural persons who participated in the creation of Inventions or Works through their creative work.

State Office for Inventions and Trademarks of Romania:

State administration body that performs tasks in the field of protection of intellectual property rights.

Invention or Work

The result of scientific research and technological development that can be protected by a specific intellectual property right (patent, utility model, trade secret, industrial design, copyright in some cases etc.).

Intellectual Property:

A set of any and all intellectual and industrial property rights, copyright, industrial designs, etc. and ancillary rights owned by the Institute, which have their own value on the market, can be sold, licensed, exchanged, donated like any other property rights.

Commercialization:

The process of creating financial benefits through use, sale, licensing, etc. of Inventions or Works, including their protection, management and development of commercial value, the establishment of companies, research and cooperation with industry and other partners in order to achieve financial benefits from the Inventions or Works.

Prototype:

A physical device, a chemical compound etc., realized on the basis of an innovative procedure.