

Oklahoma State University Policy and Procedures

INTELLECTUAL PROPERTY	1-0202 GENERAL UNIVERSITY January 2019
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The Board of Regents for the Oklahoma Agricultural and Mechanical Colleges (“Board of Regents”) hereby adopts the following intellectual property policy for Oklahoma State University, to include its main campus in Stillwater, the OSU Center for Health Sciences (OSU-CHS) in Tulsa, and its branch campuses at Tulsa (OSU-Tulsa), Oklahoma City (OSU-OKC), and Okmulgee (OSU-Okmulgee), hereinafter collectively referred to as the “University”. This policy amends Policy 1-0202, originally approved July 1990.

See Appendix B for definitions of terms used in this Policy.

POLICY INTENT

1.01 Intellectual Property. The intent of Intellectual Property Policy 1-0202 (“Policy”) is to provide a mechanism for bringing University Intellectual Property into the public realm and for promoting its utilization for the public benefit. The objective of this Policy is both to protect the creative works of individual members of the faculty, staff, and student body, and to safeguard the interests and mission of the University, by establishing a mechanism for the development and protection of University Intellectual Property.

1.02 Copyrightable Works. Copyrightable Works, being Intellectual Property, are subject to all the provisions of this Intellectual Property Policy. However, due to the fact that systematic dissemination and use of Scholarly Works and other Copyrightable Works are central to the University’s mission and fundamental to the advancement of Oklahoma’s culture and the development of its economy, Copyrightable Works are also separately addressed in section 7. To the extent that there is any inconsistency between the provisions of section 7 and any other provisions of this Policy, the provisions of section 7 shall control.

POLICY APPLICATION

- 2.01 Covered individuals. This Policy applies to all individuals associated with the University.
- A. For purposes of this Policy, the phrase “all individuals associated with the University” or “University Personnel” is defined as those persons holding any form of employment or appointment at the University, with or without compensation, any person who has student status, or any person or entity using or employing University Resources. This includes, without limitation, faculty, professional and non-professional staff, fellows and postdoctoral fellows, undergraduate and graduate students, persons with adjunct appointments, visiting professors, and any other person or entity using University Resources under a contract with the University or with the assistance of or under the supervision of the University.

- B. The provisions of this Policy are a part of and are incorporated by reference in any contractual relationship of the University with any member of the faculty, staff, or student body or with any individual or entity using or employing University facilities or resources and shall be conditions of employment for all persons employed by the University, conditions of appointment for any person holding any appointment with the University, conditions of enrollment and attendance at the University by all students, and conditions of use of University Resources.

2.02 Dissemination of Policy. Responsible University administrators are encouraged to take appropriate measures to inform all individuals associated with the University of this Intellectual Property Policy and its provisions.

Property Rights and Obligations

3.01 Intellectual Property in which the University does NOT have an interest.

- A. General. Intellectual Property unrelated to an individual's employment, appointment, or association with the University that is conceived, created, or developed on such individual's own time and without use of University Resources, excluding libraries, shall be deemed the exclusive property of the Creator(s), and the University shall have no interest in or claim to any such Intellectual Property.
- B. Outside professional activities. Except as otherwise provided in section 3.2B. of this Policy, Intellectual Property that is conceived, created, or developed in the course of or resulting from an individual's permissible outside professional activities is deemed to be unrelated to such individual's employment, appointment, or association with the University, and in such event, the University shall have no interest in or claim to any such Intellectual Property unless it is conceived, created, or developed on University time or with more than incidental use of University resources.
- C. Students. The University encourages an environment that actively stimulates student ingenuity, and Intellectual Property created as a result of that environment should belong to the student unless it is conceived, created, or developed in the course of the student's University employment or with more than incidental use of University resources. Except as otherwise provided in section 3.2C. of this Policy, Intellectual Property conceived, created, or developed by a University student shall be deemed the exclusive property of the student even though conceived, created or developed with the use of University Resources, and the University shall have no interest in or claim to any such Intellectual Property.

3.02 Intellectual Property in which the University has an interest.

- A. General. Intellectual Property that is either a direct result of an individual's employment, appointment, or association with the University, or that is conceived, created, or developed on University time or with the use of University Resources shall be the exclusive property of the University, except as provided for in other

relevant University policies including Conflict of Interest (4-0130) and Section 5.1 of this document.

B. Outside professional activities.

- i. Intellectual Property conceived, created, or developed by an individual in the course of or resulting from permissible outside professional activities shall be the property of the University if such activities are deemed to be a direct result of such individual's employment, appointment, or association with the University or are performed on University time or with more than incidental use of University Resources, subject to existing Conflict of Interest disclosures and other agreements.
- ii. Intellectual Property conceived, created, or developed in the course of or resulting from outside professional activities for (a) a private, for-profit entity in which an individual holds equity or has any other financial interest; or (b) an entity in which the individual has a management role; or (c) an entity holding a license or other interest in University Intellectual Property created by such individual must be disclosed to the University, and the University Intellectual Property Screening Committee (hereinafter "UIPSC", see Appendix A), after giving due consideration to all relevant factors, including the recommendation, if any, of the Associate Vice President for Technology Development and/or the President of Oklahoma State University Research Foundation (hereinafter "OSURF"), shall determine whether the University has a proprietary interest in such Intellectual Property.

C. Students.

- i. Intellectual Property conceived, created, or developed by a University student (a) in the course of the student's University employment, or (b) with more than incidental use of University Resources, or (c) jointly with another individual who has a duty to assign or has assigned such Intellectual Property to the University, shall be deemed the property of the University. A student's use of University Resources for purposes of a particular class or project will not be considered "more than incidental" unless such use exceeds that which is customarily provided to students in the same or similar classes or projects.
- ii. Notwithstanding the provisions of section 3.2.C.i, a student may be required, as a condition of taking a particular class or participating in a particular project, to assign any resulting Intellectual Property to the University or a third party.
- iii. Funds donated to the University (excluding public monies) that are designated by the donor for the support of a University academic program involving the creation and development of student businesses and ancillary Intellectual Property rights shall not be considered University Resources for purposes of determining ownership of Intellectual Property conceived, created, or developed by a University student in the course of his/her participation in such academic program.

3.03 Intellectual Property arising out of sponsored research or services. Ownership of Intellectual Property that is conceived, created, or developed in the course of or that results from research or services supported by a grant or contract with the federal government or agency thereof or any state or other governmental entity or agency thereof, with a non-profit or for-profit entity, association, business, or individual, or by private gift or grant to the University shall be determined in accordance with the provisions of the gift, grant, or contract. If the gift, grant, or contract makes no provisions establishing ownership of any particular Intellectual Property conceived, created, or developed thereunder or resulting therefrom, ownership shall be determined in accordance with the provisions of this Policy. Intellectual Property that is conceived or reduced to practice during the performance of research or other scholarly activity funded in whole or in part by the federal government shall, in addition to the provisions of this Policy, be subject to any and all applicable federal laws and/or regulations governing said Intellectual Property.

3.04 Gift, grant, and contract approvals. The following approvals are required for gift, grant, or contract provisions that dispose of rights in Intellectual Property conceived, created, developed, or resulting from research or services supported by such gift, grant, or contract:

- (a) all such provisions must be approved by the Associate Vice President for Technology Development; and
- (b) any such provisions granting ownership rights (or an option to acquire ownership rights) in such Intellectual Property to an entity other than the University or OSURF, must, in addition, be approved by the President of OSURF and any University employee named as a principal investigator of the research or services sponsored or supported by such gift, grant, or contract.

All agreements containing such provisions must, in addition, be approved by the Vice President for Research and appropriate departmental and college administrators to ensure that performance of University duties are not compromised and that adequate consideration is received by the University for the use of University Resources. Any such agreement shall be subject to the provisions of this Policy and any other applicable University policy and state or federal law.

3.05 Nonconforming provisions of a gift, grant, or contract. It is the intent of the Board of Regents that this Policy be strictly enforced. The Board of Regents recognizes however that sometimes it may be in the best interests of the University to enter into contractual, grant, or gift arrangements with federal agencies, other governmental entities or agencies, non-profit or for-profit entities, associations, businesses or individuals whose patent policies or regulations may conflict with this Policy. The President of OSURF, with the concurrence of the President of the University, may, when necessary and upon a specific finding in writing that the value to the University of receiving the grant, gift, or performing the contract outweighs the impact of any nonconforming provisions of the gift, grant, or contract on the intellectual policies of the University or the benefits from the level of funding and/or other consideration for the proposed research outweighs any potential disadvantage that may result from the policy deviation, enter into written contractual, grant, or gift arrangements that differ from or vary from the provisions of this Policy. In any such gift, grant, or contract, the University will retain, at a minimum,

a royalty-free right and license to use any University IP conceived, created, developed, or resulting therefrom for its internal research and/or educational purposes. In addition, every effort will be made to obtain for the University a portion of the proceeds from any income derived from the commercial use or exploitation of such Intellectual Property. The President of the University will periodically report these contractual agreements to the Board of Regents.

3.06 Contractual authority regarding University IP. The Board of Regents shall retain ownership of University IP on behalf of the University, including patent rights and other legally protectable rights therein. The President of the University, or his/her designee(s), may enter into agreements and execute, in the name of the Board of Regents, legal documents pertaining to such University IP, including documents for the purpose of obtaining patent, trademark, and copyright protection and for marketing and licensing. The Associate Vice President for Technology Development and the President of OSURF shall be the official designees of the President of the University for these purposes. The Office of Legal Counsel for the Board of Regents shall approve as to form all agreements relating to Intellectual Property, approve the employment of all outside patent counsel, and approve all licenses or other agreements or arrangements for the marketing or exploitation of University IP.

3.07 Permitted assignees of University IP. When permitted by this Policy or approved by the Board of Regents, patent rights and/or other legally protectable Intellectual Property rights in University IP may be assigned to: the Creator(s); natural person(s) other than the Creator(s); a federal agency or other governmental entity or agency; or a non-profit or for-profit entity, association, or business.

3.08 Assignments required by Policy. All individuals associated with the University shall make such assignments of patents or other legally protectable Intellectual Property rights as are required in order to comply with or enable the provisions of this Policy, or any contractual obligations of the University and/or OSURF, and/or applicable federal law, rules, and regulations.

PROCEDURE

4.01 Disclosures required by Policy. Before Intellectual Property covered by this Policy is disclosed either to the public or for commercial purposes, or before publishing the same, all individuals associated with the University are required to submit in writing to the University, on an approved form, a reasonably complete and detailed disclosure of such Intellectual Property. Disclosure forms may be obtained from the Technology Development Center (hereinafter "TDC") and shall be submitted to the University through the appropriate dean or director, who will review and forward the disclosure(s) to TDC. As related to inventions and patents, a publication is an enabling public disclosure of an invention. An enabling disclosure is one which teaches one skilled in the art how to practice the invention. Publications include abstracts, and, in certain circumstances, grant proposals. A public disclosure is a non-privileged communication to one or more individuals from outside the University community. It is important to emphasize that the issuance of a publication may jeopardize the ability to secure patent protection.

4.02 UIPSC responsibilities. A University Intellectual Property Screening Committee ("UIPSC"), with members appointed as set forth in Appendix A, shall (a) decide whether the

University has a proprietary interest in Intellectual Property under sections 3.2 or 3.3 of this Policy and (b) act on any petition by Creator(s) seeking ownership of an Instructional Work pursuant to the provisions of section 7 and (c) act on any petition by University Personnel concerning issues involving the interpretation and application of this Policy. All disclosures shall be referred to UIPSC for a determination of proprietary interests therein under the provisions of this Policy. If UIPSC, with the concurrence of the Associate Vice President for Technology Development, determines that the University has no proprietary interest in the disclosed Intellectual Property under section 3.1 of this Policy, the Creator(s) shall be so notified and any further action pertaining to the Intellectual Property shall be the sole responsibility of the Creator(s).

4.03 Proprietary interest determination. If UIPSC determines that the University has a proprietary interest in Intellectual Property under sections 3.2 or 3.3 of this Policy, the Committee shall so notify the Creator(s). In determining rights under this provision, the fact that the subject matter of the Intellectual Property is related to the Creator's employment, appointment or association with the University and/or the use of University Resources in creating or developing the Intellectual Property shall constitute prima facie evidence of the University's proprietary interest therein. If UIPSC has determined that the Intellectual Property constitutes University IP, UIPSC shall also make inquiry into whether the individuals listed on the disclosure are the Creator(s) under the guidelines of patent or other applicable intellectual property laws. If UIPSC, the Associate Vice President for Technology Development or the President of OSURF has a question or concern regarding the accuracy of the listed Creator(s) and if patent protection is sought on this Intellectual Property, University-approved patent counsel will be so informed and said patent counsel will advise as to the determination of inventorship.

4.04 Procedure when UIPSC does not act in timely manner. UIPSC should act promptly on any disclosures made to the University and any petitions submitted to UIPSC pursuant to section 4.2. If, however, for any reason UIPSC has not met and/or made a determination within sixty (60) days of TDC's receipt of a disclosure or UIPSC's receipt of a petition, the Chair of UIPSC, the Associate Vice President for Technology Development, and the President of OSURF or their respective designee(s), may meet and make the necessary determinations under sections 4.2 through 4.4 of this Policy within the next thirty (30) days, provided, however, that before any such meeting and determination, the Creator(s)/petitioner(s) will be notified and said individuals may waive the sixty (60)-day time period set out herein for UIPSC to act, and they may request any such determinations to be made by UIPSC.

4.05 Notification of UIPSC determination. All determinations under sections 4.02 through 4.04 of this Policy should be reported to the appropriate individuals within ten (10) days unless circumstances require otherwise, in which case the appropriate individuals will be so notified as soon as circumstances permit.

4.06 Review of UIPSC determination. All determinations under sections 4.02 through 4.04 of this Policy shall be final unless a request for review of a determination is made to the President of the University within thirty (30) days of receipt of the notice of determination. If a request for review is filed, the President's determination regarding ownership will be final.

4.07 Responsibilities of TDC. The University, through TDC or its designee, shall review, investigate, and evaluate the feasibility of protecting and commercially exploiting University IP in a timely manner so as to meet the requirements of section 4.10 in this policy. In conducting its review, investigation, and evaluation, TDC should use such available and appropriate resources as necessary to make a reasonably informed decision as to the commercialization potential of University IP, including input from and discussion with the Creator(s), as well as UIPSC, other University Personnel, and/or approved patent counsel, businesses, associations, individuals, or governmental agencies having knowledge and expertise in these areas.

4.08 Protection and exploitation of University IP. TDC, in consultation with the President of OSURF and the Office of Legal Counsel, shall decide how, when, and where University IP is to be protected and/or exploited. Means of protection and/or exploitation include, but are not limited to, patenting or other Intellectual Property protection, contracting with or the securing of additional funds or other resources from independent corporations, associations, businesses, individuals, or governmental entities or agencies for additional research and development, marketing, patenting or other forms of protection for said Intellectual Property, the granting of licenses, maintenance as a trade secret or know-how, if appropriate, and/or full release and publication of said Intellectual Property to the public.

4.09 Procedure when University does not exploit University IP. If TDC, with the approval of the President of OSURF, determines that the University will not assert and/or exploit its interest in University IP, the Creator(s) shall be so notified and all rights, title, and interest of the University therein may, subject to approval by the President of OSURF or his/her designee, be released and/or assigned to the Creator(s), and neither the University nor OSURF shall have any further rights, obligations, or duties in respect thereto; provided, however, that neither the University or OSURF or their respective facilities, resources, or name shall be used by the Creator(s) or their assignee(s) in the protection and/or exploitation of said Intellectual Property and further provided that certain conditions may be imposed, including, but not limited to, reimbursement of costs or resources expended by the University and/or OSURF, retention of income rights, and/or a royalty-free, non-exclusive right on behalf of the University and/or OSURF to make and use said Intellectual Property for research, educational, and/or non-profit purposes.

4.10 Request by Creator(s) for release of University IP. If within one (1) year from the date UIPSC has made its decision that a disclosure constitutes University IP, TDC has taken no action to secure patent protection and/or other protection for said Intellectual Property, has not authorized full disclosure and publication, and has taken no tangible action to market, commercialize, and/or obtain funding or sources of funding to further develop, research, market, or otherwise exploit said University IP, the Creator(s) may request through TDC that the Intellectual Property be released and/or assigned to them. In addition, since the Creator or applicant only has one year after the filing of a provisional patent application to file a non-provisional patent application, this request may be made six (6) months after the filing of a provisional patent if the TDC has taken no tangible action to market, commercialize, and/or obtain funding or sources of funding to further develop, research, market, or otherwise exploit said University IP. Said request will be forwarded to the President of OSURF, who, after due consideration of all of the surrounding facts and circumstances including the recommendation of the Associate Vice President for Technology Development and the Dean(s) of the Creator(s')

College(s)/Division, may, in agreement with the OSU Vice President for Research, approve the release and/or assignment of such University IP to the Creator(s). Upon approval by the President of OSURF, all rights, title, and interest of OSURF and the University shall be released and/or assigned to the Creator(s), and neither the University nor OSURF shall have any further rights, duties, or obligations in respect thereto; provided, however, that (i) neither the name nor the resources or facilities of the University or OSURF shall be used in securing protection for or exploitation of said Intellectual Property, and (ii) certain conditions may be imposed by the President of OSURF, including but not limited to reimbursement of direct costs or other resources expended by the University and/or OSURF in obtaining, maintaining, protecting, defending, marketing, commercializing, or otherwise administering said Intellectual Property, retention of income rights, and/or a royalty-free, non-exclusive right on behalf of OSURF and/or the University to make and use said Intellectual Property for research, educational, non-profit, and/or governmental purposes. If the Creator(s) are required to reimburse for these costs, the University and/or the OSURF shall provide a full copy of all related documents (e.g., patent searches, market and commercialization research, etc.) to the Creator(s) within thirty (30) days after reimbursement.

4.11 TDC's responsibilities regarding records, reporting, and dispute resolution. The University, by and through the Associate Vice President for Technology Development, or his/her designee, shall keep and maintain records regarding TDC's activities relating to University IP under the provisions of this Policy and will regularly report said activities to the President of OSURF or his/her designee, who shall in turn report said activities to the Board of Regents and to other state or federal agencies as may be required by applicable law and regulation. TDC shall work with the Creator(s) of University IP and keep them regularly informed of its activities relating to the protecting/patenting, marketing, and/or exploitation of said Intellectual Property. Any disputes (except disputes concerning the negotiations and/or the terms of licenses, including but not limited to royalty rates or other financial terms) relating to University IP involving the Creator(s) and TDC which cannot be resolved through informal discussions and counsel with the Creator(s)' department head(s), research director(s), and/or College Dean(s) may be submitted to OSURF for mediation, which shall be conducted by a three (3) person panel selected from knowledgeable University Personnel: one person selected by the Creator(s); one person selected by TDC; and one person selected by the first two selectees. The mediation process will be conducted in a fair manner in consultation with the Office of Legal Counsel. If the dispute is not resolved by mediation, then the President of the University may resolve the dispute and his/her resolution thereof will be final.

Distribution of Commercialization Revenue

5.01 General revenue distribution procedure. Revenue from commercialization of University IP generated from licenses or other marketing or commercialization arrangements concerning University IP, including, without limitation, royalties, fees, and expense reimbursements, but excluding funding for research and/or development ("Commercialization Revenue") shall be paid directly to OSURF. Commercialization Revenue shall be distributed as follows except as provided otherwise under section 5.5 or section 5.7 of this Policy or pursuant to the terms of an agreement approved in accordance with the provisions of this Policy:

- A. All direct costs incurred by the University or OSURF or their respective subsidiaries or affiliates in obtaining, maintaining, protecting, defending, marketing, commercializing, or otherwise administering University IP shall first be reimbursed from Commercialization Revenue attributable to such University IP.
- B. After reimbursement of the above costs, the remainder of the Commercialization Revenue attributable to such University IP shall be distributed as follows:
 - 50% to the Creator(s),
 - 30% to OSURF, and
 - 20% to the college(s)/division(s) with which the Creator(s) are affiliated.

5.02 Revenue distribution percentages for University IP with multiple Creators. In the case of multiple Creators, the Commercialization Revenue due the Creators under section 5.1B. of this Policy will be shared among them according to distribution percentages established by them in writing and approved by the President of OSURF or his/her designee. The distribution percentages, which are subject to the provisions of section 4.3 of this Policy, will be established and submitted by the Creators to TDC at the time of disclosure or in any event before licensing or other commercialization of the relevant University IP. In the event the Creators cannot reach mutually acceptable distribution percentages or no such percentages are submitted to TDC by the Creators before licensing or other commercialization, the Commercialization Revenue to which the Creators are entitled under section 5.01B. of this Policy will be distributed to said Creators in such percentages as the President of OSURF or his/her designee deems appropriate under the circumstances, and such decision will be binding on the Creators. Where the Creator(s) are affiliated with more than one college/division of the University, the percentage of Commercialization Revenue due each such college or division under section 5.01B. of this Policy will be based on the percentage of such Commercialization Revenue due the Creator(s) affiliated with that college or division.

5.03 OSURF revenue share. OSURF's share of Commercialization Revenue shall be allocated by OSURF to support TDC as a source of funds to be used specifically to defray the costs of patent, trademark, and copyright protection and related activities, legal fees, and other charges, necessary resources, and/or activities associated with protecting, marketing, and commercializing University IP.

5.04 College/division revenue share. The college/division share of Commercialization Revenue under section 5.01B. from a particular Intellectual Property or group of Intellectual Properties shall be placed in a separate internal account administered by the college dean/division head and shall be utilized to support the research program(s) of the Creator(s) as long as the Creator(s) remain employed by the University. An accounting will be provided to the Creator(s) and TDC upon request. If the Creator(s) leave the University, the funds shall be distributed at the discretion of the dean/division head in furtherance of the research programs and goals of said college/division.

5.05 Creator(s) revenue share. Intellectual Property agreements executed by the University shall be governed by the University's Intellectual Property Policy in existence as of the effective date of the agreement. No amendment to this Policy shall decrease any Creator's share of

Commercialization Revenue received under any Intellectual Property agreement that is executed after approval of this Policy by the Board of Regents. No Creator's University salary will be diminished by the amount of any Commercialization Revenue due him/her under the provisions of this Policy. The Creator's share shall survive termination of his/her association with the University and, in the event of the Creator's death, shall inure to his/her estate. The University shall have no obligation to share Commercialization Revenue from an Institutional Work with the Creator of such Work if such Creator is an administrative or administrative support staff employee of the University and his/her contribution to such Work is made within the scope of employment.

5.06 OSURF responsibilities regarding records and reporting. OSURF shall keep and maintain accurate financial records concerning the receipt of, reimbursements from, and distribution of Commercialization Revenue. A financial report indicating the Commercialization Revenue received, the expenses reimbursed, and the distributions made shall accompany each distribution of Commercialization Revenue under this Policy.

5.07 Administrative review of high-earning University IP. If the college/division share of Commercialization Revenue (see section 5.01B.) from any one Intellectual Property or group of related Intellectual Properties under a single license or commercialization arrangement exceeds \$250,000.00 in any University fiscal year, an administrative review of that Intellectual Property or group of related Intellectual Properties will be conducted. The Provost and Senior Vice President, the Vice President for Administration and Finance, the President of OSURF, and the Dean(s) of the Creator(s) College(s)/Division, shall have the discretion to evaluate and recommend to the President of the University reallocation of the college/division share of Commercialization Revenue over \$250,000 from that Intellectual Property or group of related Intellectual Properties. If the President of the University determines that the allocation of Commercialization Revenue from such Intellectual Property(ies) to the college(s)/division(s) as prescribed by section 5.1B. will cause serious inequities or imbalances within the University or in the programs or operations of any department, school, or college, the President of the University shall allocate the income in such a way as to benefit the University's research programs and goals, provided, however, that the allocation to the Creator(s) will not be affected. Any such reallocation will remain in effect until either the college/division share of Commercialization Revenue from that Intellectual Property or group of related Intellectual Properties drops below \$250,000 in any future University fiscal year or until a new, required administrative review determines that a change in the allocation is warranted.

Equity Interests in Business Entities

6.01 Equity management. Pursuant to Article 10, sections 14 and 15 of the Oklahoma Constitution and the provisions of the Oklahoma Technology Transfer Act of 1998, Title 70 Oklahoma Statutes, Section 3206.3 et. seq., the University may acquire equity interests in private business entities as consideration for licensing University IP to such entities provided the following conditions are met:

- A. The University's interest shall be limited in liability with the University's risks, if any, insured or adequately indemnified as appropriate under the circumstances;

- B. The University's equity interest shall be a minority interest and, if stock, shall not exceed 20% without approval by the Board of Regents;
- C. The University's equity interest shall be received as partial consideration and not total consideration for the licensing transaction without approval by the Board of Regents;
- D. The University's equity interest shall, at the option of the University, be acquired/held as follows:
 - (i) OSURF and/or its subsidiary(ies) shall receive and hold all the equity interest, and all dividend income and income from the sale or disposition of such equity interest shall be deemed Commercialization Revenue to be distributed by OSURF pursuant to section 5.1 of this Policy; or
 - (ii) Each of the Creator(s) shall receive his/her share of such equity directly from the entity and OSURF and/or its subsidiary(ies) shall receive the shares allocated to OSURF and the college(s)/division(s) directly from the entity, and all dividend income and income from the sale or disposition of the equity interest held by OSURF and/or its subsidiary(ies) shall be deemed Commercialization Revenue to be distributed by OSURF as follows after reimbursement of direct costs as provided in section 5.1(a):
 - 60% to OSURF, and
 - 40% to the college(s)/division(s) with which the Creator(s) are affiliated.
- E. The University shall not exercise any management control of the business entity and, if the entity is a corporation, the University shall not seek or accept representation on the board of directors or exercise any voting rights on board actions;
- F. The University's equity interest (held by OSURF) shall be converted to cash as soon as possible, unless otherwise approved by the Board of Regents;
- G. The University's acquisition, receipt, management, and liquidation of the equity interest shall be reviewed and approved by the Associate Vice President for Technology Development, the President of OSURF, the Vice President for Administration and Finance, and the Office of Legal Counsel and shall be otherwise consistent with the requirements of law, the provisions of this Policy, and other applicable policies;
- H. The University shall not invest funds in the private business entity;
- I. The acquisition of any equity interest and the gains or losses upon the sale or other disposition of any equity interest will be reported to the Board of Regents and, as required by law, to other state agencies.

6.02 Risk management. The Board of Regents recognizes that economic development is a part of the public service mission of the University and that the offering of equity is a means of technology transfer that may enable otherwise qualified small companies to license University IP. The acceptance of equity by the University, however, presents a potential risk problem. Risk is an issue because the companies often have little cash and/or revenues and at the time equity is given, the equity has little, if any, value and whether or not value will ever be obtained, will depend on the overall success of the company. The Intellectual Property proposed to be licensed is, however, property of the University and the public's interest therein requires that prudence and reasonable economic practices be undertaken to minimize the risks involved. University administrators approving equity acquisitions should therefore seek to ensure that the traditional sources of licensing are not otherwise available; that the waiving of up-front license fees is not an alternative or appropriate means of accomplishing the licensing objectives; that the proposed business entity is one that is organized to succeed in the areas of experienced management, adequate financing, and strategic business and product development plans and that the documents supporting said company's organization have been reviewed; that University and/or legal out-of-pocket expenses will be reimbursed in cash and that the terms of said technology licensing transaction, other than those related to the acceptance of equity in the company by the University, are consistent with other University licensing practices for comparable technologies, especially in the areas of due diligence, royalties on product or process sales, use of name, representations and disclaimer of warranties, insurance and indemnification provisions.

6.03 Conflicts of interest. The Board of Regents recognizes that the acquisition of equity also has the potential for generation of conflicts of interest and conflicts of commitment. Equity ownership has considerable potential for creating conflicts of interest and/or conflicts of commitment for Creator(s) and the University because equity holders are part owners of the company and owners stand to gain considerably if the company does well. Consequently, there may be incentives to take actions and make decisions that favor the interests of the company over the academic missions of the University. While economic development is a part of the University's public service mission, the academic mission of the University and its commitment to teaching and research, academic freedom, intellectual independence, integrity of research and education, open communication and dissemination of knowledge, diversity, and all forms of public service should not be compromised. Therefore, the University's acceptance of equity shall be based upon the principles of openness, objectivity and fairness in decision-making, and preeminence of the education and research missions of the University over financial or individual personal gain. In addition, prompt liquidation of University equity interests at a predetermined time will help to remove potential conflicts of interest and any obligation of the University to its Creator(s), departments, and colleges to maximize the cash return from such stock sales. University administrators approving equity acquisitions shall establish procedures and guidelines to be followed which will ensure that potential or perceived conflicts of interests and/or conflicts of commitment will be disclosed, reviewed, and properly managed.

6.04 Policy implementation. The University shall prepare and disseminate such recommended procedures, guidelines, standardized agreements, and/or forms as may be considered appropriate for the implementation of the provisions of this Policy.

6.05 OSURF equity interest in private businesses. The provisions of this section 6 shall not apply to the acquisition by OSURF and/or its subsidiary(ies) of any equity interest in a private business entity unless such interest is acquired as consideration for licensing University IP to such entity. Specifically, these provisions shall not apply to any equity interest acquired by OSURF and/or its subsidiary(ies) in a private business entity as a result of an investment of funds in such entity.

Copyrightable Works

7.01 Objectives. The objectives of these specific provisions concerning Copyrightable Works are:

- A. To preserve traditional University practices and privileges with respect to publication of Scholarly Works;
- B. To enable the University to foster the free and creative expression and exchange of ideas and comment;
- C. To establish principles for the equitable distribution of any Commercialization Revenue derived from Copyrightable Works owned by the University;
- D. To protect the rights and describe the responsibilities of University Personnel; and
- E. To protect the University's assets and imprimatur.

Copyrightable Works - Ownership

7.02 General Policy. The general policy of the University is that Copyrightable Works created by University Personnel constitute Personal Works that remain with the Creator(s) unless such Works are Institutional Works or Sponsored Works. In keeping with tradition, the University does not claim ownership of Personal Works.

7.03 Student Works are deemed to be Personal Works owned by the Creator(s) unless they are Institutional Works or Sponsored Works. In all cases, however, a student's graduate thesis or dissertation is deemed to be a Personal Work owned by the student Creator(s), but as a condition of enrollment and awarding a degree, the University may require that the Creator(s) grant an irrevocable, non-exclusive, royalty-free, worldwide right to reproduce in any media and distribute to the public, on a non-commercial basis, copies of said theses and dissertations, unless to do so would impair the ability of the Creator(s) to commercially or professionally exploit the Work. If a use of the Work by the University is reasonably determined by the Creator(s) to impair the exercise of such rights, the University shall discontinue the impeding use but otherwise shall remain free to use the Work as provided herein. A student has the option to request that the publication and/or use of scholarly work by the University, including theses and dissertations, be restricted (embargoed) for a period of time in accordance with Graduate Council policy under the governance of the Graduate College.

7.04 Scholarly Works. In keeping with traditional academic practice and policy, Scholarly

Works are deemed to be Personal Works owned by the Creator(s) unless they are Institutional Works or Sponsored Works. The intention of the University is to promote the free dissemination of information and thus the University, in general, may, as a condition of employment for all persons employed by the University, a condition of appointment for any person holding any appointment with the University, a condition of enrollment and attendance at the University by a student, and/or as a condition of use of University Resources, require that the Creator(s) grant to the University for its research and educational purposes, a perpetual, non-exclusive, royalty-free license to use, reproduce, and distribute Scholarly Works that are owned by the Creator(s), excluding textbooks, related course materials, and literary and artistic creations, with the proviso that this policy will not prevent the Creator(s) from granting publication rights to scholarly journals.

7.05 Institutional Works. Institutional Works are solely owned by the University unless this Policy provides otherwise or there is an agreement to the contrary between the University and a third party.

- A. The University may, in its sole discretion, upon request and to the extent consistent with its legal rights and obligations, convey copyright rights to the Creator(s) of Institutional Works. This provision does not alter a University employee's responsibilities under the consulting or conflict-of-interest policies of either the Board of Regents or the University.
- B. In the event the University conveys copyright rights in an Institutional Work to the Creator(s), the University may require reimbursement for the cost of more than incidental use of University Resources in creation and development of the Work.
- C. No such reimbursement will be expected or sought for incidental use of University Resources.

7.06 Computer Software.

- A. Computer Software is deemed to be a Personal Work owned by the Creator(s) unless it is a Sponsored Work and/or an Institutional Work.
- B. The University shall own all patents, copyrights and other Intellectual Property rights in Computer Software that constitutes an Institutional Work. For avoidance of doubt, where the University determines that a patent application will not be filed for such Computer Software, or if filed, a patent does not issue, Computer Software that constitutes an Institutional Work will remain the property of the University.
- C. Notwithstanding any other provision of this Policy to the contrary, Computer Software is required to be disclosed to the University only if:
 - (i) it is a Sponsored Work; or
 - (ii) it is believed by the Creator(s) or the Technology Development Center to have commercial potential.

Otherwise, Computer Software is not required to be disclosed to the University.

7.07 Sponsored Works. Ownership of Sponsored Works is determined in accordance with the provisions of the pertinent gift, grant, or contract. Commercialization Revenue received by the University for such Works is to be distributed in accordance with section 5.1.

7.08 Instructional Works. An Instructional Work is deemed to be an Institutional Work owned by the University only if:

- A. the Creator(s) are entitled to receive additional compensation above base pay (in this case, this may include summer salary for faculty with less than 12-month appointments, but does not include overload pay) for the development of such Instructional Work; and
- B. there is no agreement between the Creator(s) and the University providing that such Instructional Work is not an Institutional Work.

7.09 Promotion and tenure. Any Copyrightable Work, regardless of whether it is an Institutional Work, a Sponsored Work, or a Personal Work, is eligible for consideration in promotion and tenure proceedings.

Copyrightable Works - Procedure

7.10 Consultation with TDC. University Personnel are encouraged to consult with TDC regarding issues of market potential, contracting with publishers, and other issues pertinent to the creation and dissemination of Copyrightable Works.

7.11 Disagreement about ownership. In the event of a disagreement about ownership of copyright in a Work that has been previously determined to be an Institutional Work, a petition may be submitted to the UIPSC for resolution of the matter according to the procedures and principles set out in this Policy.

7.12 Petition for ownership of Instructional Works. The Creator(s) may petition the UIPSC in writing for ownership of rights in an Instructional Work developed by such Creator(s), provided that such Work has been previously determined to be an Institutional Work. The Creator(s)' petition must identify all University Resources used in the creation and development of such Work.

Approved:

Board of Regents: September 13, 1974 Revised: July 1986, July 1990

Board of Regents: December 2002 Revised: October 2005, October 2018

Faculty Council, November 13, 2018

Council of Deans, December 13, 2018

Legal Counsel, December 14, 2018

Executive Team, January 14, 2019

Board of Regents, January 25, 2019

APPENDIX A

UNIVERSITY INTELLECTUAL PROPERTY SCREENING COMMITTEE (“UIPSC”)

1. The University Intellectual Property Screening Committee shall be composed of:
 - (a) A Chair, appointed by the President from the University faculty;
 - (b) The Associate Vice President for Technology Development or designee, who acts as the Secretary of the Committee;
 - (c) A Staff Representative, appointed by the President upon recommendation from the Chair of the Staff Advisory Council;
 - (d) Two Faculty Members, appointed by the President upon recommendation from the Chair of the Faculty Council; and
 - (e) Legal Counsel, who acts in an advisory, non-voting capacity.

Recommending authorities will ensure that a broad range of the various scientific disciplines are represented among the voting members and that the voting members have knowledge or experience in Intellectual Property matters.

The Associate Vice President for Technology Development may appoint up to two additional University employees as full-voting members to the UIPSC if he/she believes such individual(s) hold expertise that is essential to the consideration of certain specific issue(s) before the committee. Such individuals will act as full voting members of the UIPSC, but only on matters pertaining to the specific issue(s) for which they were appointed, and their term will automatically expire when the UIPSC has disposed of all such issues. The Associate Vice President for Technology Development may also appoint additional non-voting members as needed, but only on matters pertaining to the specific issue(s) for which they were appointed, and their term will automatically expire when the UIPSC has disposed of all such issues. The Creator’s(s’) department head(s), dean(s), and the Provost (or their representative(s)) will always be invited as non-voting attendees of UIPSC meetings.

2. In order to assure some continuity of membership on the University Intellectual Property Screening Committee, the first appointments will be for the following terms:
 - (a) Chair—three (3) years;
 - (b) Staff Representative—two (2) years
 - (c) Faculty Members—one 3-year term, one 1-year term
 - (d) Legal Counsel—permanent membership
 - (e) Associate Vice President for Technology Development—permanent membership

Subsequent appointments will be for the following terms:

- (a) Chair—three (3) years;
- (b) Associate Vice President for Technology Development—permanent membership;
- (c) Staff Representative—three (3) years;
- (d) Faculty Members—three (3) years;
- (e) Legal Counsel—permanent membership.

3. The University Intellectual Property Screening Committee will review each disclosure and any documentation the Committee deems necessary for its determination of proprietary rights pursuant to this Policy. The Committee may ask appropriate members of the faculty and staff for assistance and will formulate written procedures for its activities and operations under this Policy.

Reference: Patent Policy approved by Board of Regents, July 20, 1968; Procedures for Implementing Patent Policy, June 23, 1968

Revised:

September 1970, March 1978

Patent Policy approved by Board of Regents, July 20, 1990, November 1999

October 2005

April 2010

December 2018, Approved by Board of Regents, January 25, 2019

APPENDIX B

Definitions of terms used in Intellectual Property Policy 1-0202:

1. **Board of Regents** refers to the Board of Regents for the Oklahoma Agricultural and Mechanical Colleges.
2. **Commercialization Revenue** (*see section 5.1*)
3. **Computer Software** refers to any computer program (including, without limitation, microcode, subroutines, and operating systems), regardless of form of expression or the object in which it is embodied, together with any users' manuals, documentation, other accompanying explanatory materials, any computer database, and any substantive modification of any of the foregoing.
4. **Copyrightable Work** (*see Work*).
5. **Creator(s)** refers to University Personnel who create a Copyrightable Work or other Intellectual Property.
6. **Institutional Work** (*see Work*)
7. **Instructional Work** refers to a Scholarly Work that is created by a University faculty member or instructor primarily for the instruction of students.
8. **Intellectual Property (or IP)** refers to the following, whether or not protectable under current or future intellectual property laws: inventions, discoveries, scientific or technological developments, improvements, trade secrets, know-how, Computer Software, and other copyrightable works, any patent, copyright, mask work right, or other property right pertaining to the foregoing, and trademarks and service marks directly related to any other Intellectual Property covered by this Policy.
9. **IP** refers to Intellectual Property (*see Intellectual Property*).
10. **OSURF** refers to the Oklahoma State University Research Foundation.
11. **OSURF President** refers, for the purposes of this policy, to the Oklahoma State University employee who is administratively responsible for the TDC (even if that employee has a different administrative title).
12. **Personal Work** (*see Work*)
13. **Policy** refers to the University's Intellectual Property Policy 1-0202 as amended hereby.
14. **Scholarly Work** refers to a Copyrightable Work of artistry or scholarship in the Creator(s)' professional field such as textbooks, course materials, scholarly papers and articles, novels, poems,

paintings, musical compositions or other such Works of artistic imagination created by University employees who have a general obligation to produce such Works.

15. **Sponsored Work** (*see Work*)
16. **Student Work** means a Work created by an enrolled student of the University.
17. **TDC** refers to the University's Technology Development Center.
18. **UIPSC** refers to the University Intellectual Property Screening Committee.
19. **University** refers to Oklahoma State University, as more fully defined in the introductory paragraph of this Policy.
20. **University Funds** refers to direct or indirect financial support provided by the University, including support or funding from any outside source awarded to or administered by the University.
21. **University Intellectual Property** or **University IP** refers to Intellectual Property in which the University has a proprietary interest, including, without limitation, Institutional Works.
22. **University Personnel** or **all individuals associated with the University** (*see section 2.1*).
23. **University Resources** refers to:
 - A. University Funds; and
 - B. space, facilities other than libraries, equipment or materials, and/or other resources provided by or through the University, unless otherwise excluded as "acceptable use" in this or other University policy.
24. **Work** or **Copyrightable Work** refers to any copyrightable material (*See also Instructional Work, Scholarly Work, and Student Work*).
 - A. **Institutional Work** refers to a Work that:
 - (1) is commissioned from or specifically assigned to a University employee by the University (provided that the general obligation of faculty to produce Scholarly Works does not constitute a commission or specific assignment by the University); or
 - (2) is subject to a written agreement between the University and the Creator(s) providing that the Work is owned by the University; or
 - (3) is created within the scope of employment by an administrative or administrative support staff employee of the University; or
 - (4) is created with use of University Funds or more than incidental use of other University Resources; or

- (5) is created by a University student jointly with a University employee whose contribution to the Work is owned by the University pursuant to this Policy; or
 - (6) constitutes an Instructional Work that is deemed to be an Institutional Work pursuant to the provisions of section 7.8; or
 - (7) constitutes a Sponsored Work in which the University has ownership rights.
- B. **Sponsored Work** refers to a Work that is created under or subject to or is an incidental by-product of a contract between the University and a third party or a gift or grant to the University from a third party.
- C. **Personal Work** refers to a Work that is not an Institutional Work or a Sponsored Work.