

EUR IMPACT AND INNOVATION REGULATION (2021)

The **EXECUTIVE BOARD** adopted this Regulation on 15 June 2021.

The Executive Board approved this Regulation on 15 June 2021.

Agreement with EUROPA concerning this Regulation was reached on 12 July 2021.

This Regulation comes into force on 1 September 2021.

Section I – General Terms and Conditions

Article 1.1 – Definitions

1. The following definitions apply in this Regulation:

<i>BBR-EUR:</i>	EUR's current version of its Administration and Management Regulations as referred to in Section 9.4 of the Dutch Higher Education and Research Act.
<i>Management Unit:</i>	an organisational unit established by the Executive Board in which the Management is carried out by the Manager.
<i>Dean:</i>	a Manager who is head of a faculty, as referred to in Section 9.14 of the Act, and who is head of an administrative body. 'Dean' also means the pro-dean of ESHPM and the rector of ISS;
<i>ERS:</i>	Erasmus Research Services.
<i>EUR:</i>	Erasmus University Rotterdam, a legal entity established under public law.
<i>Intellectual Property Rights:</i>	Patents, registered design rights, trademark rights, domain names, copyrights, neighbouring rights, trade secrets (as defined in Section 1 of the Dutch Trade Secrets Act [<i>Wet bescherming bedrijfsgeheimen</i>]), computer programs, breeders' rights, chip rights and all pending applications, derivatives or supplements to the above rights.
<i>Manager:</i>	The person who guides and manages Employees in the name of and on behalf of the Executive Board.
<i>Employee:</i>	The natural person who has entered into an employment contract with EUR.
<i>Staff Executive:</i>	EUR employees who, by virtue of their position, are required to supervise the interests of EUR that are relevant in this context, such as staff executives, lawyers, controllers, operations managers, operations directors or ERS employees.
<i>Research Results:</i>	The results of research conducted by one or more researchers either jointly or individually.
<i>Regulation:</i>	This Impact and Innovation Regulation.

<i>Spin-out:</i>	A new company, started using the assets either owned or co-owned by EUR, with the aim of operating completely independently of EUR.
<i>The Act:</i>	The Dutch Higher Education and Research Act [<i>Wet op het hoger onderwijs en wetenschappelijk onderzoek</i>].

2. Terms that have not been defined are interpreted according to their legal meaning.
3. The terms used include both the plural and the singular, and pronouns include the masculine, feminine and neutral forms, regardless of how they are referred to in this Regulation.
4. This Regulation does not apply to employees of the Erasmus Medical Centre and/or professors associated with the Erasmus Medical Centre.

Section II – Allocation of roles and responsibilities

Article 2.1 – Initiation

1. Before performing work with or for third parties, the Employee must ensure that a validly signed agreement is concluded between EUR and the other parties. If the threshold values are met, the mandatory FLAT check must be carried out prior to signing.
2. Activities in the field of education, research or valorisation that arise from EUR's public duties (as referred to in Article 1.3(1) of the Act) are paid from direct funding. A reasonable fee must be agreed for work carried out at the request of or for the benefit of third parties. The Executive Board decides what constitutes a reasonable fee.
3. The Employee must be able to substantiate that the intended work is in line with the mission and strategy of EUR and the faculty or faculties concerned. The Employee must also ascertain that the work can be carried out in accordance with applicable law and regulations, and that it is possible to observe the principles laid down in Article 3 (Basic principles for public-private partnerships).
4. The Employee is responsible for:
 - a. informing the Employees and – if applicable – external researchers concerned;
 - b. assessing whether the proposed work can be carried out by the Employees and/or external researchers concerned;
 - c. verifying that the faculty or faculties concerned have the requisite room, resources and so on;
 - d. drawing up a budget that will avoid reasonably foreseeable financial risks and, if necessary, will lay down a fee in keeping with market rates;

- e. informing Staff Executives in good time regarding legal, HR, control, ethics, privacy, data management, Intellectual Property Rights and/or other relevant topics so that they can contribute;
- f. compliance with applicable laws and regulations;
- g. recording and archiving the work in a way that is in line with academic standards and specific standards, if they have been agreed;
- h. obtaining the necessary permission from his/her Manager or department chair in advance.

Article 2.2 – Implementation

1. The performance of work must take place in accordance with applicable laws and regulations (including the most recent version of the Dutch Code of Conduct for Research Integrity), and any decisions taken in this respect.
2. Research Results and data must also be used in line with good academic practice and applicable agreements and/or grant requirements.
3. The Employee will report any Intellectual Property Rights, if applicable, to ERS in line with Article 5 of this Regulation as soon as possible.
4. The Employee has a general responsibility to inform his/her Manager and/or department chair of the progress of the work and whether the research is still within the parameters of the assignment.
5. Where necessary, the Employee will call in Staff Executives.

Section III – Basic principles for public-private partnerships

Article 3.1 – Overview of the 10 basic principles

For research projects as well as transfer of knowledge, EUR endorses the following 10 principles for public-private partnerships, which were formulated in 2010 by (among others) the Association of Universities in the Netherlands. Contractual and other agreements between parties in a public-private partnership must not conflict with these principles unless there are special circumstances that justify a specific exception (i.e. the 'comply or explain' principle).

1. Freedom to publish one's own results.
2. Freedom to conduct follow-up research.
3. Freedom to conduct follow-up research with third parties.
4. Freedom of use of foreground results in education.
5. Ownership of foreground research is according to provisions for inventorship/makership (see also Article 5 of this Regulation).

6. No compulsory transfer of foreground results.
7. Fee in line with market rates for commercial use of foreground results.
8. Permission for use subject to an anti-shelving clause.
9. No obligation to provide access to background results beyond the scope of the project.
10. No automatic access to future results/Intellectual Property Rights (other than foreground knowledge).

Foreground: results obtained within the partnership.

Background: results obtained beyond the scope of the project (both before and during) the partnership.

Anti-shelving clause: the user's commitment to make an effort to find relevant opportunities to use the results and not to keep them secret.

Section IV – Dealing with conflicts of interest

Article 4.1 – General

Conflicts of interest arise when an Employee is involved in several financial or other matters/interests, whereby one interest may be detrimental to another. A prime example of this is a situation in which an Employee's personal interests may have a negative impact on his/her work for EUR or on decisions taken on behalf of EUR, or in which an Employee's interest conflicts with EUR's interest. If an Employee takes shares in a company or Spin-out (see Article 7.3 below), the procedure as described in Article 4.3.1.c must be followed to minimise the risk of a conflict of interest.

Article 4.2 – Conflicts of interest

The following situations (along with many others) may lead to a conflict of interest:

- a) *Working with third parties* can be detrimental to the academic independence and scientific integrity of the researchers involved. This may damage the reputation of EUR and the academics concerned. This risk can be mitigated by raising awareness among researchers, and by safeguarding academic independence and scientific integrity in a cooperation agreement. Model agreements for this are available from ERS and the faculties.
- b) *Ancillary activities* of Employees may lead to a conflict of interest. This is recognised in the collective labour agreement for Dutch Universities (CLA NU – 1 January 2020 to 31 December 2020 and subsequent versions). The CLA NU stipulates that ancillary activities must be reported to, and approved by, the employer. In addition to this, there is a sectoral regulation on ancillary activities for employees working at Dutch universities (see www.vsnu.nl). EUR has set up the Administrative Procedure for

Ancillary Activities for the purposes of implementing the sectoral regulation (see www.eur.nl).

- c) Conflicts of interest may also occur if an Employee or a close relative (for instance a spouse, partner, child, sibling or parent) has a significant financial interest in an organisation/company that is or may be involved in activities that can reasonably be associated with the education, research and/or transfer of knowledge that takes place at EUR. For rules on Employees or their close relatives holding shares in companies that operate in the same field as EUR, please refer to Article 7.3 of this Regulation (Employee share ownership).

Article 4.3 – How to deal with (potential) conflicts of interest

1. Employees have an obligation to *report* any conflicts of interest or potential conflicts of interest in good time and in full to their Dean or the head of their Management Unit. The same applies to circumstances that arouse the suspicion that there may be a conflict of interest. Depending on the circumstances of the case, one of the following procedures must be followed:
 - a) If it concerns *ancillary activities*, the Administrative Procedure for Ancillary Activities applies (see Article 4.2.1.b) of this Regulation).
 - b) If it concerns a conflict of interest or potential conflict of interest involving an Employee in the performance of his/her duties in the area of *research, education or valorisation*, the Dean/head of the Management Unit concerned will firstly investigate whether the Employee in question can be replaced by another Employee, insofar as the Dean/head of the Management Unit considers it possible or preferable.
 - c) If it is not possible to replace the Employee concerned, the Employee must not start performing the work until he/she has obtained approval from the Dean responsible for the case. If the Dean withholds permission for the work, the Employee may submit the dispute to the Staff Disputes Committee and the provisions of the Staff Disputes Regulation will apply.

Section V – Valorisation of intellectual and industrial property

Article 5.1 – The valorisation procedure

1. The intellectual property created by Employees belongs to EUR and/or must be transferred to EUR on the basis of Chapter 1, Section 3 of the CLA NU (Intellectual Property Rights), unless this Regulation provides otherwise. If an Employee refuses to transfer intellectual property, EUR will be entitled to compensation for the resources contributed and for the costs incurred. This includes (inter alia) salary costs, costs related to the provision of facilities and buildings, and all other costs (including interest) that are directly related to the establishment of the rights that the Employee now wishes to retain for him or herself. [Appendix 1](#) of this Regulation sets out EUR's general policy on Intellectual Property Rights.

2. Applications for the registration of Intellectual Property Rights may only be made in EUR's name. Employees who are creators and/or inventors must complete the Innovation Disclosure Form ("IDF") as soon as possible to inform ERS of, for instance, software, databases, models, questionnaires, interventions or potentially patentable inventions created by the Employee. Employees must refrain from any kind of disclosure until the relevant IDF has been assessed and, if necessary, ERS has completed an application for a patent or design. The IDF sets out the percentage contribution of each creator/inventor and all those concerned sign the IDF for approval. ERS will immediately distribute a copy of the signed IDF via the portal so that ERS can assess what actions it will have to or be able to take to protect software, databases, models, questionnaires, interventions or other innovations, for instance. It will then discuss these options with the creators/inventors. In the meantime, the assumption will be that the creators/inventors wish to participate in the revenue sharing programme as set out in Section VI.

Article 5.2 – Tasks and responsibilities: ERS and Employees

1. ERS negotiates on behalf of EUR with existing and potential external parties about the valorisation of intellectual property, and it manages the resulting and existing agreements. In the process, ERS focuses on i) supporting the Employee in making an impact; and ii) generating income within the existing legal framework. The input and active involvement of the Employees involved are indispensable if the Intellectual Property Rights are to be put on the market successfully. ERS supports creators/inventors in developing the opportunities to valorise the intellectual property and thus put it on the market. This support comprises ERS helping to establish contacts with external parties and ERS reaching agreements with external parties. Employees must observe confidentiality and participate as subject-matter experts in discussions with potential external parties. If ERS so requests, Employees are required to provide ERS with any support that may reasonably contribute to the valorisation process.

Section VI – Revenue sharing

Article 6.1 – Revenue

1. 'Revenue sharing' means sharing the income generated by valorisation. If EUR receives revenue without any obligations (other than access to Intellectual Property Rights) in return (for instance revenue from royalties, milestones achieved, the sale of shares), this revenue will be distributed among the various stakeholders on the basis of the provisions of this Regulation ('revenue sharing'). The entitlement to revenue sharing or a part of it does not confer controlling rights in any Spin-out created on the basis of this Regulation.
2. **Incentives.** As a reward for constructive cooperation with ERS in the valorisation process as set out in Article 5, the first EUR 50,000 in revenue will be distributed among the inventors/makers/authors in accordance with the percentages stated on the signed IDF. A prerequisite for this is always that they have contributed actively and constructively to the valorisation process. If ERS indicates that an Employee is not

- eligible for this initial contribution because, in its opinion, the conditions stated in this article have not been met, the Executive Board will decide on the matter.
3. **Cost recovery.** Revenue in excess of this first EUR 50,000 mentioned in Article 6.1.2 will first be used to recover all costs incurred by ERS. This includes all costs and expenses that ERS has to incur to secure and exploit the Intellectual Property Rights, such as application and registration costs, costs for identifying and approaching potential and existing partners, and for legal fees.
 4. **Revenue sharing.** Revenue generated after the deductions provided for in paragraphs 2 and 3 will be distributed among the inventors/makers/authors, EUR and the research and other groups designated by the Dean in consultation with the inventors/makers/authors. A prerequisite is that these research and other groups have directly or indirectly contributed to the invention and have an existing financial mandate. Each of the three stakeholders or groups of stakeholders will be given one third of the revenue realised.
 5. **Limit.** A pre-tax limit of EUR 1,000,000 (one million euros) has been placed on the income that the individual inventor/creator/author can receive per Intellectual Property Right or family/group of Intellectual Property Rights. After reaching this limit, the share of this particular inventor/creator/author will be divided between his/her faculty or department and EUR. EUR and the faculty/department in question each then receive half of the revenue.
 6. ERS is responsible for all aspects concerning licensing, including invoicing third parties for usage or other rights granted to them, and the sharing of revenue as determined based on Article 6.
 7. **Licence in exchange for shares** If EUR acquires shares in exchange for a licence, the proceeds from the sale of those shares, after deduction of any transaction costs, will be treated and distributed in the same way as set out above.
 8. **Shares/revenues from other sources.** Contrary to the provisions of paragraphs 6 and 7, revenue from shares or income that EUR receives in exchange for access to its facilities will not be distributed; instead it will accrue to the department or departments that bore the costs or lent access to their facilities. If EUR receives shares or revenue for reasons other than providing access to its intellectual property or facilities, all revenue will accrue to EUR.

Section VII – Spin-outs and equity interest

Article 7.1 – General principles

1. For the purposes of this Regulation, an (academic) Spin-out is defined as a new company started using the assets either owned or co-owned by EUR with the aim of operating completely independently of EUR.
2. If EUR acquires an equity interest in the Spin-out (see Article 7.2 for details), Erasmus Enterprise B.V will hold and manage this equity interest.

3. Revenue that EUR receives from shares held by EUR will be subject to the limit on revenue sharing with Employees (as defined in Article 6.1.5).
4. Employees may only take an equity interest in a Spin-out if they have the prior permission of the responsible Dean. The last sentence of Article 4.3.1.c applies if the Dean does not grant permission. If Employees take an equity interest in a Spin-out, those Employees thereby waive their right to revenue sharing (Article 6). In that case, income will be divided equally between EUR and the group designated by the Dean on the basis of Article 6.1.4.
5. As soon as a reasonable opportunity presents itself, Erasmus Enterprise B.V. will offer its shares for sale in order to avoid speculation or the suspicion of speculation. Examples of this would be the timing of subsequent investment rounds, or the expiry of the IPO lock-up.

Article 7.2 – EUR’s equity interest

1. In exchange for the licence required to perform its core business (or most of its business), the Spin-out will give EUR shares and pay for royalties/milestones. Issuing an equity interest only is not an option. EUR will not take more than 49% of equity interest in a Spin-out.
2. If the Spin-out obtains a licence from EUR in exchange for shares (in line with Article 7.2.1.), then EUR will receive 5% to 25% of the shares on the establishment of the Spin-out for providing the licence, as long as no other external investors are involved in the Spin-out. If an external investor becomes involved, the number of shares taken by EUR will be decided on a case-by-case basis.
3. EUR will not take shares in exchange for access to its facilities without the express prior permission of the responsible Dean.
4. EUR receives up to 5% shares for a Spin-out’s participation in the Erasmus Ecosystem for Impact.

Article 7.3 – Employees’ equity interest

1. The following Employees may not take or receive shares in a Spin-out if they simultaneously hold one of the following (or equivalent) positions: department chair, Dean and/or member of EUR Executive Board. This restriction will cease to apply if one of these positions is no longer the Employee’s main post, or if it is agreed that he/she will leave EUR entirely or in part within 12 months. If the restriction set out in this paragraph is lifted, the other provisions regarding equity interests in this Regulation will continue to apply in full. This restriction does not apply to equity interest acquired before the Employee took up the position in question.
2. Employees on an employment contract for 0.8 FTE or more may take up to 5% of the shares in a Spin-out. This restriction will be reduced from 5% to 30% of the shares if the employment contract with an Employee ends within 12 months. This restriction does not apply to equity interest acquired before an Employee entered service, or acquired

in line with this article before an Employee is offered a permanent employment contract or a contract for more hours.

3. Employees on an employment contract for 0.5 FTE and less than 0.8 FTE may take up to 49% of the shares in a Spin-out. Employees on an employment contract for 0.5 FTE or less and Employees on an employment contract of less than 0.8 FTE who leave or have to leave within six months may take up to 50% of the shares in a Spin-out. This restriction does not apply to equity interest acquired before an Employee entered service, or acquired in line with this article before an Employee is offered a permanent employment contract or a contract for additional hours.
4. Prior permission from the responsible Dean is always required if an Employee or a close relative of an Employee wishes to hold shares in i) a Spin-out; or ii) in a company that operates in the same field of activity as EUR. The last sentence of Article 4.3.1.c applies if permission is not granted.
5. If the voting right is not linked to the right to receive dividends, the highest percentage of these two rights is taken into account when determining the permissible shareholding percentage. If a share is issued for which the entitlement to dividends and voting rights are not equal, the highest entitlement will be decisive for this Regulation.
6. Article 7.3 applies mutatis mutandis if an Employee holds shares in a company that operates in the same field of activity as EUR. As a consequence, the scope of application is wider than it is for the academic Spin-out, i.e. the startup in which EUR is also a shareholder.

Article 7.4 – Employees’ other rights

1. This Regulation also applies to students who (i) perform work or activities as part of an internship agreement with EUR; or (ii) work as a student assistant at EUR; or (iii) have assigned their rights to the results of work to EUR. As a result, the student will have the same right to revenue sharing under this Regulation as an Employee.
2. Part-time Employees are only entitled to revenue sharing if it is based on work/activities performed within the framework of their employment contract with EUR.
3. Unless Article 7.4.4 applies, Employees retain the right to revenue sharing on expiry or termination of their employment contract with EUR.
4. Contrary to the provisions of Article 7.4.3, the right to revenue sharing lapses if the Employee is justifiably dismissed.
5. The entitlement to an existing or future right to profit-sharing by Employees is only valid while he/she is alive and this entitlement is personal, and cannot be inherited or assigned.

Section VIII – Final and transitional provisions

Article 8.1 – Interpretation

In cases relating to matters provided for in this Regulation that are not covered by this Regulation, or in cases where this Regulation is open to various interpretations, the **EXECUTIVE BOARD** will decide on the matter.

Article 8.2 – Management of this Regulation

ERS manages this Regulation.

Article 8.3 – Translation

This article applies if the Regulation is translated into English. If there are any conflicts between the Dutch version and the English version, the Dutch version will prevail.

Article 8.4 – Publication

The Board will post this Regulation on the EUR website.

Article 8.5 – Entry into force

Subsequent to the University Council's endorsement and the Supervisory Board's approval, this Regulation will enter into force on a date to be determined later by the Executive Board.

Article 8.6 – Abbreviated title

This Regulation is called the 'EUR Impact and Innovation Regulation 2021' and is abbreviated as 'I&I'.

Article 8.7 – Applicable law

This Regulation is governed exclusively by the laws of the Netherlands.

Appendix 1 – EUR policies regarding IPR

Appendix accompanying Article 5 of this Regulation.

Article 1 – Copyrights

1. Moral rights are always vested in the creators. This gives the creator the right to be identified as the author and to oppose any distortion, modification or other activity that is detrimental to the work or that damages the creator's reputation or good name.
2. Copyright to works produced when employed by EUR (during or as a result of the performance of the work) are vested in EUR, subject to the following provisions:
 - a. On original academic work (i.e. academic articles and books published by an academic publisher, excluding teaching materials), the exploitation/economic rights are vested in EUR, but EUR waives these rights exclusively for the benefit of the EUR Employee who is the author. Exploitation rights give the rightholder the right to receive financial compensation for the use of the work by third parties.
 - b. EUR will grant the creator exploitation rights subject to standard terms and conditions for textbooks and other learning materials, for instance MOOCs, simulation games, exam question repositories, other supporting materials, developed for the external market that can be used independently of the EUR curriculum, i.e. if they are also suitable for other institutions.
 - c. Exploitation rights to syllabi, text books, and all specific teaching materials developed for EUR's educational purposes or contract education offered by EUR (and its subsidiaries) and that are not published for academic publishers are vested exclusively in EUR.
 - d. Exploitation rights to datasets are vested exclusively in EUR.
 - e. Exploitation rights to datasets are vested exclusively in EUR, subject to any restrictions due to open source and other licences to software used by the creators when developing the software.
3. Exceptions to paragraphs 2.a to 2.e may be made with prior approval. Grant requirements may also justify derogations to these paragraphs. A FLAT check is obligatory in these cases.
4. If EUR waives or fails to exploit its rights for a period of 24 months after notification, the creator may ask for the rights in question to be assigned. This request will not be rejected without good reason. Article 5.1.1 of the Regulation applies.

Article 2 – Database rights

1. A database right is a right granted to the creator of a database if it is apparent that a substantial qualitative or quantitative investment was made, either for obtaining, verifying or presenting the contents of the database, to prevent the extraction or reuse

of the contents of the database as a whole or any part of it. Database law must be distinguished from copyright-protected data collection. Article 1.2.d applies to collections of this kind.

2. By law, the entity (EUR or a third party) who bears the financial risk for the creation of the database is considered to be the producer of the database. This right can only be assigned or licensed if there is an underlying agreement and the FLAT procedure has been followed.
3. If EUR waives or fails to exploit its rights for a period of 24 months after notification, the creator may ask for the rights in question to be assigned. This request will not be rejected without good reason. Article 5.1.1 of the Regulation applies.

Article 3 – Other Intellectual Property Rights

1. Patent rights, domain names, trade names, word and/or figurative marks and all other relevant Intellectual Property Rights to the results of activities carried out within the scope of employment at EUR are automatically vested in EUR. Applications or the registration of these rights will always be made in EUR's name.
2. Inventors or creators will be listed on the application/submission as provided for by the applicable law.
3. If EUR waives or fails to exploit its rights for a period of 24 months after notification, the creator may ask for the rights in question to be assigned. This request will not be rejected without good reason. Article 5.1.1 of the Regulation applies.