

**INSTITUT NATIONAL DE LA RECHERCHE SCIENTIFIQUE
INTELLECTUAL PROPERTY POLICY**

ADOPTION		
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The French version alone of this Normative Document has been officially adopted by INRS's authorities. In case of differences, the French version prevails.

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PREAMBLE

In keeping with its mission, Institut national de la recherche scientifique (“**INRS**”) directs its activities towards the economic, social, and cultural development of Quebec, while mobilizing knowledge and technologies and transferring both into the fields of endeavour in which INRS acts. The Commercialization of research results is part of this mission.

The *INRS Intellectual Property Policy* (the “**Policy**”) also acknowledges that the Commercialization of certain university research results may also be ensured when Works and Inventions are protected by national legislation or international treaties and made available to the public through the private sector. Without being a goal in and of itself, the Commercialization of Works and Inventions by INRS helps create new products, services, and processes; contributes to knowledge transfer; promotes societal progress; and enhances quality of life. Commercialization initiatives attest to the vitality of INRS’s activities and the quality of its research outcomes. INRS, Authors, and Inventors must be able to share in the resulting economic benefits in a fair and equitable manner.

1. PURPOSE

This Policy sets out the principles and rules governing relations between members of the University Community and INRS with respect to intellectual property in order to:

- a) provide a framework for putting mechanisms in place for the Commercialization of research results generated by Authors and Inventors in whole or in part through the use of INRS resources, including its financial, material, informational, and organizational resources;
- b) put Commercialization mechanisms in place in keeping with the rights of Authors, Inventors, Sponsors, Contractors, Joint Rights Holders, and INRS; and
- c) ensure equitable sharing of the economic benefits resulting from Commercialization activities carried out by INRS under the Policy.

2. DEFINITIONS

For the purposes of the Policy, the terms defined below shall have the meanings assigned to them in this section.

“**Administrative Staff**”: Staff members occupying administrative positions, excluding Professors and Research Staff

“**Adjunct Professor**”: a person who is or was employed by a private, public or para-public organism and to whom INRS grants the status of Adjunct Professor.

“**Author**”: Any member of the University Community who, alone or with others, writes or creates a Work.

“Claim Against a Third Party”: Any claim against an individual or legal entity—whether in the form of lawsuits, actions, claims, counterclaims, legal proceedings, or administrative procedures including those aimed at opposing the prosecution of a patent application or the issuing of a patent or causing the examination or invalidation of an issued patent—due among other things to the filing or prosecution of a patent application or the issuing of a Patent, or due to any use, made or authorized, of a third-party’s invention.

“Claim By a Third Party”: Any claim made by an individual or legal entity—whether in the form of formal demands, lawsuits, actions, claims, counterclaims, legal proceedings, or administrative measures including those aimed at opposing the prosecution of a patent application or the issuing of a Patent or causing the examination or invalidation of an issued Patent—due among other things to the filing or prosecution of a patent application or issuing of a Patent, or due to any use, made or authorized, of the Invention.

“Commercialization Costs”: The costs, expenses, fees, and disbursements INRS incurs to commercialize an Invention or Work, including the following:

- a) Protection Costs, including payments to patent agents or authorities responsible for registration or issuing certificates of registration over Works or the delivery of patents for Inventions
- b) Litigation Costs, including payments to lawyers, consultants, and experts or by virtue of any decision, judgment, or out-of-court settlement
- c) Outsourcing Costs to external service providers that INRS hires regarding the Commercialization, in whole or in part, of an Invention or Work

“Commercialization”: Any activity in connection with the technical and commercial evaluation of a Work or Invention, their protection, the solicitation of industrial partners, and the commercial or industrial exploitation of a Work or Invention, including, but not limited to, as the case may be, prior art searches, patentability opinions or market studies, development and implementation of protection strategies (e.g., through the filing of patent applications), correction of errors in patent applications, negotiation and drafting of contracts and their amendments, management and liquidation of shares and distribution of Income earned among those who have a right to it. Commercialization does not include the preliminary analysis of a Declaration of Invention conducted for the purposes of deciding whether to exercise an option.

“Contractor”: The third party that signs an Exploitation Agreement.

“Declaration of Invention”: A form, the current version of which INRS makes available to members of the University Community so they can provide information on Inventions to INRS.

“Dispute Committee”: A decision-making body composed of three voting members tasked with settling disputes respecting the Intellectual Property Policy. The committee comprises the scientific director, who chairs the committee; a member appointed by a union representing one of the members of the University Community involved in the dispute; and an external member with experience in intellectual property issues and the Commercialization of research results who is jointly appointed by the union and the Steering Committee. When a dispute does not involve University Community members represented by a union, the committee comprises the scientific director, who acts as chair; the secretary

general; and a director of a Research Centre other than that which produced the Work or Invention concerned by the dispute.

“Executive”: A person hired to occupy an executive position provided for in INRS’s organizational structure.

“Exploitation Agreement”: A Licence, an Intellectual Property Assignment or Sale Contract or any other agreement, the purpose of which is to generate Income from an Invention or Work. This definition does not include Research Contracts and Professional Service Agreements, whether they involve a Sponsor or not.

“Honorary Professor”: a person who has retired from the position of salaried professor and to whom INRS has granted the status of honorary professor.

“Income”: Any amount of money INRS receives or generates from non-monetary consideration that results from Commercialization activities.

“Intellectual Property Assignment or Sale Contract”: A contract under which a person transfers intellectual property, in whole or in part, or the rights thereto, including shares in spinoff companies, to another person for consideration.

“Invention”: One of the following university products, and improvements thereto, that fall under the categories described below, and which, as the case may be, are made, created, or developed by an Inventor using INRS resources in whatever way whatsoever, namely:

- a) any art, process, machine, manufacture, or composition of matter that is patentable under the *Patent Act* (R.S.C., 1985, c. P-4);
- b) any art, process, machine, manufacture, or composition of matter that is not patentable under the *Patent Act* (R.S.C., 1985, c. P-4);
- c) a crop variety subject to the *Plant Breeders’ Rights Act* (S.C., 1990, c. 20);
- d) a Software Program subject to Invention Disclosure under Section 6.2 or 7.2 of the Policy;
- e) a three-dimensional configuration of electronic circuits in an integrated circuit product or configuration diagrams subject to the *Integrated Circuit Topography Act* (S.C., 1990, c. 37); or
- f) Know-how,

and all rights thereto, including property and intellectual property rights.

“Inventor”: Any member of the University Community who creates or develops an Invention, alone or with others.

“Joint Rights Holder”: Any teaching or research institution or other third party that jointly holds, with INRS, the rights in relation to an Invention or Work.

“Know-how”: Technical information that is known or available to a limited number of people and that is useful for the conception, design, fabrication, embodiment, operation, or use of an Invention.

“Licence Agreement”: An agreement by which use or exploitation rights are granted by or to INRS under certain conditions.

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“Litigation Costs”: Costs, expenses, fees, and disbursements paid to third parties, including fees and disbursements of lawyers, consultants, and experts, as well as all judicial and extrajudicial fees related to all Claims By a Third Party against INRS or the Inventors or Authors, or Claims Against a Third Party initiated by INRS, or amounts payable by virtue of resulting decisions, judgements, or out-of-court settlements. Litigation costs do not include Protection Costs or Outsourcing Costs.

“Moral Rights”: An Author’s personal rights recognized by the *Copyright Act* (R.S.C., 1985, c. C-42), namely the right of an Author of a Work to claim authorship thereof, even under a pseudonym, or to remain anonymous, to protect the integrity of the Work, or prevent any use of the Work which is prejudicial to the Author’s honour or reputation.

“Net Income”: Income minus Commercialization Costs.

“Officer”¹: The Director General, the Scientific Director, the Administration and Finance Director, and the Secretary General.

“Outsourcing Costs”: Costs, expenses, fees, and disbursements payable to external service providers in relation to the Commercialization of an Invention or Work. Outsourcing Costs do not include Litigation Costs or Protection Costs.

“Patent”: Letters patent for an Invention issued under the *Patent Act* (R.S.C., 1985, c. P-4) or the legislation of any other country in patent matters.

“Principal Inventor”: The Inventor designated by a group of Inventors to act as their intermediary with INRS under Section 8.3 of the Policy.

“Professional Services Contract”: A contract regarding the provision of services by INRS in a specialized field. The contract may stipulate that rights are granted or assigned in relation to the results generated. This definition includes Research Contracts.

“Professor”: A regular, assistant, substitute, adjunct, visiting, or honorary professor or a Professor Emeritus.

“Professor Emeritus”: A person who has retired from the position of salaried professor and to whom INRS has granted the honorary title of professor emeritus.

“Protection Costs”: Costs, expenses, fees, and disbursements paid to third parties to protect an Invention or Work or to have a related intellectual property right recognized, including payments to patent agents or authorities responsible for registering or issuing certificates of registration for Works or Patents for Inventions. They also include costs, expenses, and fees related to the filing, prosecution, and maintenance of patent applications and maintenance of issued Patents. Protection Costs do not include Litigation Costs or Outsourcing Costs.

“Public Disclosure”: Any communication made inside or outside INRS, including on the

¹ For external communication, the titles of Officers will be replaced with the titles commonly used in academia, respectively: Rector, Vice Rector of Research and Academic Affairs, Vice Rector of Administration and Finance, Vice Rector of Governance, Human Resources, and Secretary General (400A-2013-3418).

Web, that makes the subject-matter of the disclosure public.

“Research Centre”: Centre Eau Terre Environnement, Centre Énergie Matériaux Télécommunications, Centre INRS–Institut Armand-Frappier, and Centre Urbanisation Culture Société.

“Research Contract”: A contract regarding investigations carried out by means of experiments, surveys, studies, or analyses that involve a degree of uncertainty as to the possibility of achieving an objective or result or as to potential solutions succeeding or being feasible, and that may stipulate that rights are granted or assigned in relation with the results generated. This definition includes Research Financing Contracts.

For the purposes of the Policy, this definition does not include collaboration agreements between INRS and a teaching or research institution, Transfer of Funds Contracts, or a subcontract granted to INRS by a teaching or research institution under a collaboration contract between the latter and another teaching or research institution.

“Research Financing Contract”: A contract regarding investigations carried out in the form of experiments, surveys, studies, or analyses that involve a degree of uncertainty as to the possibility of achieving an objective or result or of potential solutions succeeding or being feasible, and that

- a) is supported in part by a grant;
- b) is also supported by any third party, whether an individual or legal entity, corporation, association, or any other organization or institution from which INRS receives payment in cash, in kind, or both;
- c) may stipulate that rights are granted or assigned in relation with the results generated.

For the purposes of the Policy, this definition does not include collaboration contracts between INRS and a teaching or research institution, Transfer of Funds Contracts granted to INRS by a teaching or research institution under a collaboration contract between the latter and another teaching or research institution.

For the purposes of the Policy, this definition does not include cooperation agreements between INRS and a teaching or research institution, Transfer of Funds Contracts, or subcontract granted to INRS by a teaching or research institution under a collaboration agreement between the latter and another teaching or research institution.

“Research Staff”: Research associates, research assistants, and research technicians, laboratory technicians, students, interns, and postdoctoral fellows.

“Salaried Professor”: Regular, assistant, or substitute INRS professor.

“Software Program”: Any set of statements or instructions expressed, fixed, embodied, or stored in whatever manner whatsoever and that can be used, directly or indirectly, in a computer to produce a specific result, as well as all related material and documentation, as well as the rights thereto, including property and intellectual property rights.

“Sponsor”: The third party, whether an individual or legal entity, corporation, association, or any other third party, that signs a Professional Service Contract or Research Contract, who

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supports research or other activities, either through cash or in-kind contributions or both, and to whom rights may be granted or assigned in relation to the results generated.

“Staff”: Anyone hired at INRS.

“Tangible Research Material”: Organic and synthetic molecules, nanoparticles and nanomaterials, and biological products such as cell lines, plasmids, proteins, bacteria, viruses, animals, and transgenic bacteria or animals.

“Transfer of Funds Contracts”: A contract by which funds made available through a grant are transferred from one person to another, subject to certain obligations, including those related to the authorized use of these funds.

“University Community”: Executives, Professors, Staff, students, and interns, including INRS postdoctoral fellows.

“Visiting Professor”: A professor employed by a Canadian or foreign university to whom INRS grants the status of visiting professor.

“Work”: Any literary, dramatic, artistic, or musical work as defined by the *Copyright Act* (R.S.C., 1985, c. C-42), created or written using INRS resources in whatever manner whatsoever, as well as in each case, all rights thereto, including property and intellectual property rights. This definition excludes scientific communications, such as articles and presentations, to the rights over which have not been made the subject of transactions entered into by INRS, in favour of a third party.

3. SCOPE

The Policy applies to all members of the University Community.

4. ENFORCEMENT OF THE POLICY

The Scientific Director is responsible for enforcing the Policy.

5. INTERPRETATION OF THE POLICY

The Office of the Secretary General is responsible for interpreting the Policy.

6. WORKS

- 6.1 The Author is the owner of his or her Work, is free to decide whether or not to proceed with its Commercialization, and may keep any resulting economic benefits, subject to:
 - a) the obligations and terms of contracts or funding sources under which the Work was created;
 - b) the rights of INRS provided for in the Policy, including those stipulated in section 6.2; and

- c) the rights of other Authors and third parties.

If the Author wishes to entrust the Commercialization of a Work he or she owns to INRS, the Author must produce a document describing the Work and the context in which it was written or created. The provisions in sections 8.1 to 8.9, 8.11 to 8.17, 9.1 to 9.13, 10.1 to 10.7, and 14.1 to 14.3, and the definitions in section 2 apply *mutatis mutandis* to the Work and the document produced, subject to any necessary changes in vocabulary and grammar.

- 6.2 Notwithstanding section 6.1, INRS owns the Work if it:
- a) results from a Research Contract involving a Sponsor or a Professional Service Contract involving a Sponsor and containing transactions relating to rights over such Work unless INRS assigns its rights to the Sponsor within such above-mentioned contract;
 - b) was written or created by an Administrative Staff member in the performance of his or her duties;
 - c) was written or created by an Executive in the performance of his or her duties; it being understood that this rule applies to Works written or created by a Research Centre director while carrying out activities other than scientific or academic activities; or
 - d) results from a commission from INRS governed by a specific agreement between INRS and the Staff member who carries out the commission outside the performance of their duties.

With respect to Works mentioned in paragraphs b), c), and d), INRS has the right, but not the obligation, to proceed with their Commercialization and has the sole right to all resulting Income. Works covered by the contracts mentioned in paragraph a) are subject to the provisions of such contracts. To the extent that INRS receives Income under the resulting Exploitation Agreements, the provisions in sections 10.1 to 10.7 apply *mutatis mutandis* to that Income.

Software Programs covered by the contracts mentioned in paragraph a) above must be made the subject of a Declaration of Invention and are thereafter deemed to be Inventions for the purposes of the Policy.

The Author of a Software Program who has made a Declaration of Invention under this section or section 7.2 is thereafter deemed to be an Inventor for the purposes of the Policy.

Except for the cases mentioned in the preceding paragraph, a Software Program is a Work for the purposes of the Policy, unless it has been the subject of a Declaration of Invention made under this section or section 7.2.

- 6.3 Notwithstanding section 6.1, INRS has, at all times, a royalty-free, nonexclusive, irrevocable licence without territorial or time limitations over all teaching material produced by a Salaried Professor for teaching purposes. INRS must inform the Salaried Professor of this use.
- 6.4 Unless the publisher refuses, the Author will, within the context of his or her employment at INRS, indicate his or her affiliation with INRS in any Work.

- 6.5 The Author of a Work conserves the ability to exercise his or her Moral Rights in connection with the Work, unless the Work results from activities conducted:
- a) under a Research Contract involving a Sponsor or a Professional Service Contract involving a Sponsor that obliges INRS or stipulates that INRS is to obtain from the Author a total or partial waiver over the exercise of his or her Moral Rights; or
 - b) by another funding source that obliges INRS to obtain from the Author a total or partial waiver over the exercise of his or her Moral Rights.
- 6.6 The Author of a Work waives the exercise of his or her Moral Rights except for authorship of the Work if it:
- a) was written or created by an Administrative Staff member in the performance of his or her duties;
 - b) was written or created by an Executive in the performance of his or her duties; it being understood that this rule applies to Works written or created by the Research Centre director while carrying out activities other than scientific or academic activities; or
 - c) is the result of a commission from INRS governed by a specific agreement between INRS and the Staff member who carries out the commission outside the performance of their duties.
- 6.7 Rights other than property rights in connection with a Work developed under a Research Contract involving a Sponsor or a Professional Service Contract involving a Sponsor, or through another external funding source, including publication rights, Moral Rights, and the right of Authors to commercialize their Works themselves, are at all times dependent on the terms of the contract in question, the conditions of such external funding, and sections 6.1 *in fine* and 6.2 of the Policy.
- 6.8 Subject to Section 6.7, the Author decides on the details concerning the scientific publications and communications related to a Work.

7. INVENTIONS

- 7.1 The Inventor is the owner of all his or her Inventions and is free to decide whether to commercialize them or not and may keep any resulting economic benefits, subject to:
- a) the obligations and terms of contracts, agreements, or funding sources under which the Invention was created, made, or developed;
 - b) the rights of INRS stipulated in the Policy, including those described in sections 7.2 and 7.3; and
 - c) the rights of the other Inventors and third parties.
- 7.2 If an Inventor or an Author wishes respectively to commercialize an Invention covered by section 7.1 or a Software Program covered by section 6.1, or to examine the feasibility of doing so, the Inventor or the Author must submit a Declaration of Invention to INRS. INRS has an option to become the owner of the Invention or such Software Program and to carry out its Commercialization. The Software Program that has been made the subject of a Declaration of Invention in accordance with this section and the

Author who submits the Declaration of Invention are then deemed to be an Invention and an Inventor, respectively, for the purposes of the Policy.

- 7.3 Notwithstanding section 7.1, INRS owns an Invention if it:
- a) results from a Research Contract involving a Sponsor or a Professional Service Contract involving a Sponsor and containing transactions relating to the rights over such Invention, unless INRS assigns its rights to the Sponsor within such above-mentioned contract ;
 - b) was made, created, or developed by an Administrative Staff member in the performance of his or her duties;
 - c) was made, created, or developed by an Executive in the performance of his or her duties; it being understood that this rule applies to Inventions made, created, or developed by the director of a Research Centre while carrying out activities other than scientific or academic activities; or
 - d) is the result of a commission from INRS governed by a specific agreement between INRS and the Staff member who carries out the commission outside the performance of their duties.

All Inventions covered under this section must be made the subject of a Declaration of Invention submitted to INRS. With respect to Inventions mentioned in paragraphs b), c), and d), INRS has the right, but not the obligation, to proceed with their Commercialization and has the sole right to keep all resulting income. Inventions covered by the contracts mentioned in paragraph a) are subject to the provisions of such contracts; to the extent that INRS receives Income under any resulting Exploitation Agreements, the provisions in sections 10.1 to 10.7 apply to such Income.

- 7.4 Notwithstanding sections 7.1 and 7.2, INRS has, at all times, a royalty-free, nonexclusive, irrevocable licence without territorial or time limitations over each Invention an Inventor owns or co-owns for teaching, research, and publication purposes which (including within collaborations with third parties such as other universities when the circumstances so warrant).
- 7.5 Subject to section 7.6, the Inventor of a Software Program conserves the ability to exercise his or her resulting Moral Rights unless the Software Program results from activities conducted:
- a) under a Research Contract involving a Sponsor or a Professional Service Contract involving a Sponsor that obliges INRS or stipulates that INRS is to obtain from the Inventor a total or partial waiver over the exercise of his or her Moral Rights; or
 - b) by another funding source that obliges INRS to obtain from the Inventor a total or partial waiver over the exercise of his or her Moral Rights.
- 7.6 The Inventor of a Software Program waives the exercising of his or her Moral Rights except for the right of authorship if the Software Program:
- a) was written or created by an Administrative Staff member in the performance of his or her duties;
 - b) was written or created by an Executive in the performance of his or her duties; it being understood that this rule applies to Inventions made, created, or developed by a Research Centre director while carrying out activities other than his or her scientific or academic activities; or

- c) results from a commission from INRS governed by a specific agreement between INRS and the Staff member who carries out the commission outside the performance of their duties.
- 7.7 Rights other than property rights in connection with an Invention developed under a Research Contract involving a Sponsor, a Professional Service Contract involving a Sponsor, or through another external funding source, including publication rights, Moral Rights in connection with a Software Program, and the right of Inventors to commercialize their Inventions themselves, are at all times dependent on the terms of the contract in question, the conditions of such external funding, and sections 7.2 and 7.3 of the Policy.
- 7.8 Subject to sections 7.7 and 8.10, the Inventor decides the details concerning the scientific publications and communications related to an Invention.
- 7.9 When a person ceases to be a member of the University Community, he or she must submit a Declaration of Invention for any Invention or Software Program made, created, or developed while he or she was employed by or affiliated with INRS if:
- a) the Invention or Software Program is subject to Section 7.3;
 - b) INRS has obligations to a third party in connection with the Invention or Software Program; or
 - c) this person is not the sole Inventor.

8. COMMERCIALIZATION

- 8.1 All Declarations of Invention must be signed by all the Inventors and must include the requested information.
- 8.2 In any Declaration of Invention, each Inventor must identify all other Inventors likely to meet the criteria for being identified as such.
- 8.3 If there are a number of Inventors, they may designate one of their number as Principal Inventor to act as an intermediary with INRS. This designation creates no obligation for INRS to interact with the Principal Inventor and in no way prevents INRS from dealing with each Inventor separately if it deems it appropriate. The Principal Inventor designated as an intermediary cannot legally bind the other Inventors.
- 8.4 The Declaration of Invention is submitted to the Research Centre director or to the persons responsible for Commercialization at the Research Centre where the Invention was produced. If the Declaration of Invention is complete, an acknowledgment of receipt will be sent to all the Inventors or to the Principal Inventor. For the purposes of the Policy, the date of the acknowledgment of receipt is also deemed to be the date of receipt of the duly completed Declaration of Invention.
- 8.5 INRS has a 90-day period from the receipt of the duly completed Declaration of Invention submitted under section 7.2 to analyze and decide whether to exercise its option to become owner of the Invention and to proceed with its commercialization.

This period, which starts the day after the receipt of the Declaration of Invention, may be extended by consent.

- 8.6 During the abovementioned 90-day period during which INRS analyzes the Declaration of Invention, the Inventor will cooperate with INRS by providing, to the best of his or her knowledge, any additional information requested.
- 8.7 In the event that INRS exercises the option specified in section 8.5, the Inventor will provide it with all necessary documents to ensure that INRS can exercise its rights in connection with the Invention's Commercialization, including signed assignment documents.
- 8.8 In the event that INRS does not exercise its option within the period stipulated in section 8.5 or extended by consent, the Inventor can dispose of his or her Invention as he or she sees fit, subject to:
 - a) the obligations and terms of the contracts or of the funding sources through which the Invention was created, made, or developed;
 - b) the rights of INRS stipulated in the Policy, including those provided for in section 7.4; and
 - c) the rights of the other Inventors and the rights of third parties.
- 8.9 In all cases where INRS decides to proceed with the commercialization of an Invention covered by a Declaration of Invention, the Inventor will respond to reasonable requests from INRS for cooperation in support of the Commercialization of the Works and Inventions, including by signing documents such as assignments of rights.
- 8.10 Once the Declaration of Invention is submitted, all information concerning the Invention is treated as confidential and the Inventor may make no Public Disclosure which might prevent implementation of Commercialization strategies, such as patent applications, in connection with the Invention.
- 8.11 Unless paid partially or entirely by a third party, the Commercialization Costs in connection with the Invention will be paid by INRS.
- 8.12 Without limiting the generality of section 8.11, INRS will pay the Litigation Costs resulting from a Claim Against a Third Party in connection with the exploitation of an Invention that INRS owns or over which it has exercised the option provided for in section 8.5. The same applies to Litigation Costs resulting from a Claim By a Third Party against INRS or its Inventors in connection with the exploitation of an Invention that INRS owns or over which it has exercised the option provided for in section 8.5, except in cases of gross negligence on the part of the Inventors.
- 8.13 Subject to section 8.14, INRS is solely responsible for the Commercialization of the Inventions that INRS owns or over which it has exercised the option provided for in section 8.5. INRS will make all reasonable efforts to fulfill this responsibility to the extent within its means.
- 8.14 INRS may task a third party with the Commercialization of all or part of an Invention INRS owns or over which it has exercised the option provided for in section 8.5, and may sign any agreement to this end.

- 8.15 If it is foreseeable that to ensure the Commercialization of an Invention INRS owns or over which it has exercised the option provided for in section 8.5, the total Protection Costs and Outsourcing Costs to be paid directly by INRS without reimbursement will exceed \$100,000, a detailed costed Commercialization plan will be:
- a) prepared by the Research Centre where the Invention was produced; and
 - b) submitted by the Research Centre director where the Invention was produced to the Steering Committee for a decision.
- 8.16 Staff in charge of the Commercialization of Inventions or Works at INRS is responsible for:
- a) regularly soliciting Inventors and Authors when intellectual property protection measures relating to Inventions or Works are taken in order to ensure the preparation of patent applications and in order to support the patent agents involved during the prosecution of the submitted applications;
 - b) informing the Inventors and Authors concerned as to the terms and conditions of Exploitation Contracts such as Licences and Intellectual Property Assignment or Sale Contracts that have been negotiated, on the condition that the Staff possess up-to-date contact information for the Inventors and Authors concerned;
 - c) providing Inventors, on request, with reasonable additional information in connection with key developments concerning the Commercialization of Works or Inventions;
 - d) informing the Inventors or Authors concerned of INRS's decision to withdraw from a Commercialization process in connection with an Invention, on the condition that the Staff possess up-to-date contact information for the Inventors or Authors.
- 8.17 Without limiting the scope of section 8.16, INRS, through the Staff responsible for the Commercialization of Inventions and Works, will report on the progress of the Commercialization process to the Inventors or Authors every nine months or at any other less frequent intervals arranged with the Inventors or Authors.

9. ASSIGNMENT AND REASSIGNMENT OF RIGHTS

- 9.1 If INRS exercises the option provided for in section 8.5 after receiving a Declaration of Invention, the Inventor will assign the Invention to INRS.
- 9.2 Any assignment sent to the Inventor after receipt of a Declaration of Invention must be signed and returned to INRS by the Inventor within 30 days of its receipt.
- 9.3 If INRS:
- a) decides to withdraw from the Commercialization process under section 9.5; or
 - b) terminates a Research Contract involving a Sponsor or Professional Service Contract involving a Sponsor containing transactions relating to rights over a Work or an Invention:
 - (i) due to a default on the part of a Sponsor; and
 - (ii) when scientific activities are not pursued with another Sponsor; and
 - (iii) in a situation where no Declaration of Invention has been and can be produced; or

- (iv) in a situation where the Commercialization of the resulting Works and Inventions cannot be initiated within 12 months of such termination or within a longer period established by consent; or
 - c) terminates a Licence, an option contract, or any other contract whose purpose is to generate Net Income from an Invention or a Work;then, INRS must inform the Inventor concerned by means of the prior notice specified in section 9.5 in the situations mentioned above in paragraph a) and by means of a written notice in the situations mentioned above in paragraphs b) and c), and INRS must, subject to sections 9.8, 9.9, and 9.11, reassign the Invention back to the Inventor upon written request from the Inventor to the Staff in charge of Commercialization.
- 9.4 Notwithstanding the foregoing paragraph, for Inventions or Works subject to section 9.3 b) or section 9.3 c):
 - a) that have been or may be made the subject of a Declaration of Invention; or
 - b) have been or may be the subject of Commercialization efforts,INRS has an additional 12 months from the termination of the Contract concerned to attempt to pursue the Commercialization process. INRS must inform the Inventor in writing of the result of its efforts.
- 9.5 INRS may, at any time and on its own initiative, withdraw from the Commercialization process in respect of an Invention. In the event of such a decision, INRS will give each Inventor 60 days' prior notice, sent to the address provided by each Inventor.
- 9.6 From the date on which the prior notice stipulated in section 9.5 or the notice stipulated in section 9.3 or section 9.4 is given, onwards, INRS is no longer obligated to take any steps, pursue any ongoing initiative, or make any payment in connection with the Commercialization of the Invention, except for steps, initiatives, or payments that must be taken, pursued, or made within 60 days of the date the prior notice was issued in order to safeguard rights that otherwise would be irrevocably lost. The sums thus paid by INRS constitute Commercialization Costs that must be reimbursed to INRS out of the Income generated by the reassigned Invention.
- 9.7 An Inventor seeking the reassignment of an Invention that has been the subject of the prior notice specified in section 9.5 or that is the subject of the notice specified in sections 9.3 or 9.4, must send a written request to INRS for reassignment within 30 days of the date the prior notice specified in section 9.5 or the notice specified in sections 9.3 or 9.4 was issued.
- 9.8 If there is more than one Inventor, the reassignment request formulated in section 9.3 or section 9.7 is sent to INRS by each Inventor in separate, but simultaneous requests or by all the Inventors in a single group request, and in either case within the period stipulated in section 9.7. INRS will reassign the Invention back to the Inventors in proportion to their respective contributions to the Invention as specified in the Declaration of Invention, unless the Inventors ask INRS in writing to use a different proportion specified in the request signed by all the Inventors.
- 9.9 The sole Inventor or all the Inventors, having sent a reassignment request to INRS by virtue of section 9.8, must, after the reassignment is signed, assume direct responsibility for the costs, fees, and disbursements payable in connection with the

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Commercialization of the Invention, including the costs, fees, and disbursements of patent agents.

- 9.10 Subject to sections 9.8 and 9.11, INRS must reassign an Invention that is the subject of a reassignment request. The Inventor may exploit the Invention, by reimbursing INRS for the Commercialization Costs INRS incurred from the Income generated by the reassigned Invention.
- 9.11 No reassignment will be made if contractual obligations or legal constraints prevent it or if the reassignment may expose INRS to claims or undue risks. Any reassignment of an Invention shall include the licence over the rights described in section 7.4 in favour of INRS, and is made without any guarantee and is subject to:
- a) the obligations and terms of the contracts under which or of the funding sources through which the Invention was created, made, or developed, including those specified in section 7.7;
 - b) the rights of INRS specified in section 7.4;
 - c) the rights of the other Inventors; and
 - d) the rights of third parties.
- 9.12 In the event the Invention is reassigned, the Inventor assumes the financial and legal responsibility for the use he or she makes or authorizes a third party to make of the reassigned Invention and the Inventor reports the Income generated by the reassigned Invention once a year until INRS has been fully reimbursed for the Commercialization Costs INRS has incurred.
- 9.13 After the Invention is reassigned, INRS will not defend an Inventor who incurs liability because he or she has initiated the Commercialization of an Invention or authorized a third party to initiate the Commercialization of an Invention, and INRS will pay no related Litigation Costs.
- 9.14 For the purposes of sections 9.3 to 9.13, the verb “to reassign” and the noun “reassignment” are respectively deemed to mean “to transfer” and “transfer”, in cases involving a Work or Invention that initially belonged to INRS by virtue of sections 6.2a) or 7.3a). Sections 9.3 to 9.13 thus amended are deemed to apply solely to a Work or an Invention that initially belonged to INRS by virtue of sections 6.2a) or 7.3a).

10. INCOME

- 10.1 INRS will pay the Inventor’s share of the Net Income in cash, less deductions made at source, as for Staff members, in accordance with applicable tax laws, subject to the Inventor’s obligation to maintain his or her contact information up-to-date with INRS.
- 10.2 The Net Income is shared between INRS and the Inventors as follows:
- a) 50% of the Net Income is paid directly to the Inventors;
 - b) 50% of the Net Income remains the property of INRS.
- 10.3 The Inventor is responsible for ensuring that his or her contact information and that of any legal heirs are kept up-to-date and available to INRS in order to permit any sums

owing to be paid and messages to be conveyed. If INRS is unable to pay a sum owed the Inventor or his or her heirs for a period of 12 months or more by using the contact information provided, the amount is irrevocably allocated to a scientific development fund to be used in compliance with the policy governing this fund and will not be reimbursed at a later date. Any subsequent payments will be made to the Inventor or his or her heirs if they submit their contact information and keep it up-to-date as well as that of their second contact point provided in the Declaration of Invention.

- 10.4 If there is more than one Inventor, INRS divides the Inventors' share of the Net Income in proportion to their respective contributions to the Invention as specified in the Declaration of Invention, unless the Inventors ask INRS in writing to use a different proportion specified in the request signed by all the Inventors. If there is no indication in this respect in the Declaration of Invention or any other document subsequently signed by the Inventors, the Inventors' share of the Net Income will be held by INRS until the Inventors agree in writing on how it is to be divided. The amount held will not generate interest for the Inventors.
- 10.5 If one or more inventors are affiliated with Joint Rights Holders, the Net Income will be divided first between INRS and such Joint Rights Holders, in proportion to the contribution specified in the Declaration of Invention or in the contract binding the Joint Rights Holders to INRS. Subsequent division is subject to the internal practices of the Joint Rights Holders. In the absence of:
- a) a contract between INRS and the Joint Rights Holders governing activities resulting in an Invention and the division of the Net Income with the Joint Rights Holders;
 - b) an indication of how the Net Income is to be shared with the Joint Rights Holders either in the Declaration of Invention or any other document subsequently signed by the Inventors; or
 - c) an agreement between the Inventors at INRS and the inventors affiliated with the Joint Rights Holders,
- INRS may, in the absence of contractual obligations to the contrary, refrain from making the payment. In this case, the Inventors' share is held by INRS until INRS or the Inventors agree in writing on how it should be shared with their counterparts. The amount held by INRS will not generate interest for the Inventors.
- 10.6 Subject to sections 10.4 and 10.5 *in fine*, INRS will pay the amounts mentioned in section 10.1 once a year. The above-mentioned payment is accompanied by a statement representing the amounts received and the Commercialization Costs incurred that were used to calculate the Net Income to be divided.
- 10.7 Ninety percent of INRS's share of the Net Income is made available to the Research Centre where the Invention was produced, to be used for research or Commercialization purposes.

11. TANGIBLE RESEARCH MATERIAL

- 11.1 At the request of the Professor responsible, Tangible Research Material made, created, or developed at INRS may be transferred to a third party for research purposes using appropriate contracts such as material transfer agreements.

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- 11.2 When the Tangible Research Material is transferred to a third party, the amounts payable to this third party for preparation, shipping, and handling, if any, will be billed by and be payable to INRS.
- 11.3 If any person, or group of persons, makes, creates, or develops Tangible Research Material and wishes to proceed with the commercialization of the Tangible Research Material or examine the feasibility thereof, they must fill out a Declaration of Invention. Sections 7.1 to 7.4, 8.1 to 8.17, 9.1 to 9.13, and 10.1 to 10.7 and the definitions in section 2 apply *mutatis mutandis* to this Declaration of Invention and Tangible Research Material, which is thereafter treated as an Invention.

12. PRINCIPLES REGARDING STUDENTS, INTERNS, AND POSTDOCTORAL FELLOWS

Notwithstanding any provision of the Policy to the contrary,

- a) students who author theses, essays, or dissertations and interns who author internship reports own the associated copyrights; and
- b) interns affiliated with third parties, including other teaching and research institutions, who are received by INRS are not subject to the Policy if:
 - (i) INRS receives them under a specific contract whose provisions conflict with those of the Policy or do not permit the coherent application of those of the Policy; and
 - (ii) it is impossible to put in place other terms and conditions that would be compatible with or permit the coherent application of the provisions of the Policy.

The provisions of this section do not apply to postdoctoral fellows.

13. PRINCIPLES REGARDING VISITING, ADJUNCT, AND HONORARY PROFESSORS, AND PROFESSORS EMERITUS

- 13.1 Unless there is an agreement between the Adjunct Professors' employers and INRS to the contrary, Adjunct Professors who become involved as such in the activities of INRS are subject to the Policy. Notwithstanding the foregoing, an Adjunct Professor from another university or Partner Organization is not subject to the Policy unless there is an express agreement stipulating the contrary. For the purposes of this provision, the term «Partner Organization» means a public, parapublic or non-profit organization which the INRS Steering Committee designates, upon recommendation of the Professor's Assembly of the Research Centre in question, as a preferred INRS partner.
- 13.2 Visiting Professors who become involved as such in the activities of INRS are not subject to the Policy.
- 13.3 Honorary Professors who become involved as such in the activities of INRS are subject to the Policy.
- 13.4 Professors Emeritus are subject to the Policy since, by virtue of the INRS Policy on the Status of Adjunct, Guest and Honorary Professor (*Politique relative aux statuts des*

professeurs associés, invités et honoraires de l'INRS), the status of Adjunct Professor is automatically conferred upon them.

14. TRANSITORY PROVISIONS

- 14.1 The period within which INRS must pay any portion of the royalties earned prior to the effective date of the Policy is not extended or postponed by the Policy.
- 14.2 The ongoing period within which INRS must decide whether it will exercise its option to become the owner of the subject-matter covered in a software, invention, or know-how declaration submitted to INRS prior to the effective date of the Policy is not shortened by the Policy.
- 14.3 The identity of the initial owner of a Software Program or Invention that has been made the subject of a software, invention, or know-how declaration submitted to INRS prior to the effective date of the Policy is not changed by the Policy.
- 14.4 The Policy's entry into force does not affect INRS's use licences over the Software Programs, Inventions, and Know-how that were made the subject of software, invention, or know-how declarations submitted prior to the effective date of the Policy.
- 14.5 The Policy's entry into force creates no obligation to submit a Declaration of Invention to INRS in connection with previous Software Programs, Inventions, and Know-how for which the submission of software, invention, or know-how declarations was not required prior to such date.
- 14.6 The Software Programs, Inventions, and Know-how which predate the effective date of the Policy for which the submission of software, invention, or know-how declarations was required before such date, but were not able to be submitted before this date, must be made the subject of a Declaration of Invention submitted under section 7.2 of the Policy.
- 14.7 Subject to sections 14.8 to 14.10, the choices made as to the method of compensation under section 4.4 b) of the *Policy Regarding Patents Resulting from INRS Personnel's Inventions and Other Intellectual Property (Politique relative aux brevets découlant d'inventions du personnel de l'INRS et autres propriétés intellectuelles)* before the effective date of the Policy regarding compensation methods, are not changed by the Policy.
- 14.8 Any Inventor whose Invention has been made the subject of a Declaration of Invention and a choice made as to the method of compensation under section 4.4 b) of the *Policy Regarding Patents Resulting from INRS Personnel's Inventions and Other Intellectual Property (Politique relative aux brevets découlant d'inventions du personnel de l'INRS et autres propriétés intellectuelles)* before the effective date of the Policy is free to render the invention subject to the application of section 10.2 of the Policy to the extent that:
- a) any Commercialization efforts already carried out do not prevent it; and

b) the provisions of a Research Contract involving a Sponsor or a Professional Service Contract involving a Sponsor, or the rules regarding another funding source do not prevent it.

14.9 Any request by the Inventor to submit the Invention to the provisions of the Policy must be made in writing and addressed to the Scientific Director or persons in charge of Commercialization at the Research Centre where the Invention was produced, within 60 days of the effective date of the Policy.

14.10 In the event that there is more than one Inventor, a written request signed by all the Inventors must be addressed to the Scientific Director or persons in charge of Commercialization at the Research Centre where the Invention was produced, within 60 days of the effective date of the Policy.

14.11 With the exception of the above, the Commercialization of a Work or Invention undertaken under *Policy Regarding Patents Resulting from INRS Personnel's Inventions and Other Intellectual Property* before the effective date of the Policy will continue under this Policy after that date.

15. DISAGREEMENTS AND DISPUTES

15.1 Any disagreement with respect to the application of the Policy will be referred by the parties involved for discussion to the Director of Research and Commercialization (*directeur du Service à la recherche et à la valorisation*), who will make recommendations to the persons involved with a view to reaching an agreement.

15.2 If no agreement is reached, the matter will be referred to the director of the Research Centre where the Work or Invention was produced, who will act as a mediator.

15.3 If the disagreement is not resolved during the discussions provided for in sections 15.1 and 15.2, and a formal dispute ensues, any of the parties involved may submit a written description of the dispute to the Dispute Committee for a decision.

15.4 The Dispute Committee will summon the parties involved to a hearing within 20 days of the date on which the dispute was brought before the Committee, or within any other time period the Committee agrees to with the parties. The Dispute Committee may call any expert it deems appropriate.

15.5 All parties involved in the dispute will be heard by the Dispute Committee and will be responsible for the costs associated with preparing and presenting their respective points of view.

15.6 The hearing will be held *in camera* in French in Québec City or Montréal.

15.7 The decision of the Dispute Committee, which is taken by simple majority and rendered in writing no later than 30 days after the hearing, is final, non-appealable and binding on the parties involved.

16. UPDATE

The Policy must be updated at least every three years.

17. FINAL PROVISIONS

The Policy enters into force once adopted by the INRS board of directors.