

UA Counterproposal 1

Presented 9/13/21

ARTICLE 14

Intellectual Property

14.1 Purpose and Superseding Obligations

- a. The purpose of the University of Alaska is the discovery and dissemination of knowledge, an essential part of which is stimulating the production of intellectual property by the faculty. The public interest and learning are best served by creating an environment in which creative effort and innovation can be encouraged, supported, and rewarded, while retaining for the public, the University, and its learning communities reasonable rights in, access to, and use of the intellectual property created with University support. To accomplish these purposes this article allocates rights between UNAC members and the University~~university~~ in varying degrees as may be appropriate or required under the circumstances.
- b. The provisions of this article are subject to and limited by federal and state law, preexisting obligations to collaborators, or in related grants, contracts, or other agreements with organizations other than the University. UNAC members and the University shall execute all documents required to effectuate these allocations of rights.

14.2 Definitions. The following definitions shall apply in Article 14:

- a. "Intellectual Property" refers to products of the human intellect that have commercial value and that receive legal protection. Typically, intellectual property encompasses creative works, products, processes, imagery, inventions and services and is protected by patent, copyright, trademark, or trade secret law. This article addresses "works" and "inventions" as intellectual property that may be created by UNAC members.
- b. A "work" is any original work of authorship that is fixed in any tangible medium of expression and which is copyrightable under federal copyright laws. Examples of materials which may be works include but are not limited to fiction or non-fiction literature, poetry, diagrams, graphic designs, motion pictures, computer software or databases, audio and visual material, circuit diagrams, architectural and engineering drawings, recorded lectures and presentations, musical or dramatic compositions, choreography, pictorial or graphic works, sculptural works, syllabi, assignments, tests, and other instructional materials whether in physical or electronic form and traditional academic works, such as journal articles, textbooks, and monographs.
- c. An "invention" is anything that is patentable under U.S. federal patent laws. Examples of inventions may include a new, nonobvious, and useful discovery, invention, process(including computer programs), machine, instructional material, composition of matter, article of manufacture, know-how, design, model, technological

UA Counterproposal 1

Presented 9/13/21

development, strain, variety, culture of any organism, or portion, modification, translation, improvement or extension of these items.

- d. "University supported" shall mean works and inventions which are produced with the use of University funds, personnel, facilities, equipment, materials, or technological information, and includes such support provided by other public or private organizations when it is arranged, administered, or controlled by the University. University support does not include use of Universityuniversity facilities or resources that are available commonly to the general public. Examples of such University-supported works include syllabi and other course materials. Ownership of such works shall fall under section ~~of~~ 14.3(a)(2) discussed below.
- e. "University sponsored" shall mean works and inventions which are specifically commissioned by the University and identified as such by a written agreement signed by the University and the UNAC member; funded by such means as a specified course release or overload payment which designates the product as Universityuniversity sponsored; or which are funded in whole or in part by a third-party grant or contract.
- f. "Net proceeds" are the gross receipts derived from trademarks, materials, inventions, discoveries and/or intellectual properties, including but not limited to, rents, royalties, dividends, earnings, gains and sale proceeds, less all costs, expenses and losses paid or incurred by the Universityuniversity and the UNAC member in connection therewith. Such costs include but are not limited to all direct costs and expenses, apportioned indirect costs and expenses, costs and expenses of obtaining, securing and protecting patents, copyrights and trademarks, marketing costs, and all attorney's fees. Gross receipts do not include tuition and fees and research funding received by the University of Alaska.
- g. "Independent efforts" are works or inventions made in the course of independent efforts of the UNAC member. The ideas for these works or inventions came from the UNAC member; the work or invention was not University supported as defined herein.

14.3 Works

a. Ownership, Rights, and Responsibilities

1. Independent Efforts

- 2. A work made in the course of independent efforts is the property of the UNAC member, who has the right to determine the disposition of such work and net proceeds derived from such work. UNAC members are solely responsible for works created through independent efforts. Independent efforts remain subject to the requirements and prohibitions of the Alaska Executive Branch Ethics Act.
University-Supported Efforts

UA Counterproposal 1

Presented 9/13/21

The UNAC member shall retain ownership and control of University supported work produced by the UNAC member. Such work shall not be used in a manner which conflicts with the interests of the University. The University and the UNAC member shall share the net proceeds from supported works according to Article 14.3(c). The UNAC member shall not commit any act which would tend to defeat the University's interest in the work and shall take any necessary steps to protect such interest. The University reserves the right to use all supported works on a royalty free basis.

3. University-Sponsored Efforts

If the work was sponsored by the University, the University retains all rights and net proceeds, unless a written agreement between the UNAC member and the University, reached prior to the start of work and approved by the president or designee, provides otherwise. Such an agreement also may provide for allocation of other rights and responsibilities, including: attribution rights; collaborator rights; consultation rights; compensation with respect to requested revisions; and nonexclusive use of the sponsored work by the UNAC member for educational purposes while employed at the University, or for inclusion in the UNAC member's evaluation materials.

b. Disclosure of Works/University Review

1. A UNAC member shall fully disclose a work with commercial value prior to sharing it in a publication or otherwise with the public. The UNAC member shall disclose to the president or designee and the MAU's Office of Intellectual Property and Commercialization or equivalent. Further in accordance with the terms of this Agreement, the UNAC member hereby assigns and shall complete all documents necessary to assign rights to the University for such University-Supported or University-Sponsored works.
2. Following disclosure, the president or designee, will inform the UNAC member whether the University disclaims an interest in the work as a sponsored, supported or independent work. The UNAC member shall assist the University in obtaining releases from persons appearing in, or giving financial or creative support to, the development or use of works in which the University has an interest. Disclaimer of interest as a University sponsored work does not limit the author/creator's obligations to disclose and share proceeds from supported works per the terms of this article.

c. Distribution of Net Proceeds from Works

Subject to the provisions of this article, the net proceeds from works shall be allocated between the UNAC member or UNAC member's heirs, successors or assigns and the University in accordance with the schedule in effect at the time of disclosure or

UA Counterproposal 1

Presented 9/13/21

pursuant to a written agreement negotiated between the UNAC member and the president or designee prior to start of work. The current schedule is provided below.

| Total Net Royalty or Revenue Per Work | Author/Creator's Distribution | University's Distribution |
|---------------------------------------|-------------------------------|---------------------------|
| First \$10,000 | 100% | 0 |
| Subsequent net royalty or revenue | 50% | 50% |

- d. A UNAC member who terminates employment with the University retains all rights and obligations, such as sharing of net proceeds, to works as provided in this article unless otherwise governed by a written agreement between the University and the UNAC member. The terms of the Collective Bargaining Agreement in effect at the time of disclosure shall govern the distribution of net proceeds (royalties) between the University and the former UNAC member.

14.4 Inventions

a. Ownership, Rights, and Responsibilities

1. Independent Efforts

An invention made in the course of independent efforts is the property of the UNAC member, who has the right to determine the disposition of such work and net proceeds derived from such work. The UNAC member and the president, or designee, may agree that the patent for such invention be pursued by the University and the proceeds shared.

2. University-Supported Efforts

An invention made using University support is the property of the University. The UNAC member shall share in the net proceeds therefrom according to Article 14.4(d). The UNAC member shall not commit any act which would tend to defeat the University's interest in the invention and shall take any necessary steps to protect such interest.

3. University Sponsored Efforts

If the University sponsored the effort leading to the invention, the University retains all rights and net proceeds, unless a written agreement between the UNAC member and the University, provides otherwise. Such an agreement also may

UA Counterproposal 1

Presented 9/13/21

provide for allocation of other rights and responsibilities, including: attribution rights; licensing rights; and marketing and commercialization plans.

b. Disclosure of all Inventions/University Review

1. A UNAC member shall fully disclose an invention prior to sharing it in a publication or otherwise with the public. The UNAC member shall disclose to the president or designee and the MAU's Office of Intellectual Property and Commercialization or equivalent. Further, in accordance with the terms of this Agreement, the UNAC member hereby assigns and shall complete all documents necessary to assign rights to the University for such University-Supported or University-Sponsored inventions.
2. The president, or designee, shall conduct an investigation that shall assess the respective equities of the UNAC member and the University in the invention and determine its importance and the extent to which the University should be involved in its protection, development and promotion. If the University determines not to disclaim its interest, it will provide the UNAC member with a written plan for the protection, development and promotion of the invention as soon as is practicable.
3. Upon the University disclaiming its interest or rights in the invention, the president, or designee, shall inform the UNAC member of the University's decision regarding ownership of the invention and the University's legal rights thereto.
4. The University and the UNAC member shall execute a written statement reflecting the distribution of net proceeds set forth in Article 14.4(d).

c. Release of Rights

1. The president or designee may elect to disclaim the University's interest in an invention at any point. In the event of a disclaimer, the University will facilitate a UNAC member's efforts to obtain prompt determinations on the part of interested parties regarding their exercise or release of rights with respect to the invention. If all interested parties also release or disclaim interests, the University shall transfer any rights it has in the invention to the UNAC member. Unless otherwise agreed in writing by the president or designee, in the event of such a transfer, the costs incurred by the University or on its behalf shall be assessed against the future revenues received by the UNAC member. In addition, unless otherwise agreed, the University will be entitled to 12.5 percent of net proceeds, and the invention shall be available royalty-free for University use.
2. If the University offers or sells a patent to an invention or other rights to an invention, the agreement with the third party purchaser shall incorporate the provisions of this article regarding the UNAC member's share of the net proceeds unless a written agreement signed by the UNAC member specifies otherwise.

UA Counterproposal 1

Presented 9/13/21

d. Distribution of Net Proceeds from Inventions

Subject to the provisions of this article, the University agrees, for and in consideration of patent rights, to pay annually to the UNAC member, the UNAC member's heirs, successors or assigns, a royalty share of the net proceeds, received by the University for each patent or other intellectual property right assigned to the University according to the schedule in effect at the time of disclosure or pursuant to a written agreement negotiated between the UNAC member and the president or designee prior to start of work. The current schedule is provided below.

| Total Net Royalty or Revenue per invention | Inventor(s)' Distribution | University's Distribution |
|--|---------------------------|---------------------------|
| First \$10,000 | 100% | 0% |
| Subsequent net royalty or revenue | 50% | 50% |

- e. A UNAC member who terminates employment with the University retains all rights and obligations, such as net proceeds, to inventions as provided in this article, unless otherwise governed by a written agreement between the University and the UNAC member. The terms of the Collective Bargaining Agreement in effect at the time of disclosure shall govern the distribution of net proceeds (royalties) between the University and the former UNAC member.

14.5 Outside Activity and Intellectual Property

Outside activities are subject to the requirements and prohibitions of the Alaska Executive Branch Ethics Act, including advance disclosure of outside employment and activities, and use of information or opportunities learned of in the course of official duties. See article 17.8 of the Agreement.

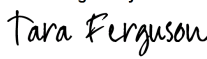
Before a UNAC member enters a contract that requires the UNAC member to waive the UNAC member's or University's rights to any work or inventions which arise during the course of such outside activity, the contract must be disclosed to and approved by the president, or designee.

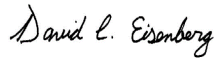
A UNAC member who proposes to engage in such outside activity shall furnish a copy of this Article and the University's patent policy to the outside employer prior or at the time a consulting or other agreement is signed, or if there is no written agreement, before the employment begins.

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