

**DRAFT UPDATE**  
**Rochester Institute of Technology**  
**Intellectual Property Policy C3.0 v12.8**  
**of**

**[Institute Policies and Procedures Manual \(IPPM\)](#)**

**1. INTRODUCTION**

Pursuant to the university's mission, RIT creates, preserves, and disseminates knowledge through teaching, learning, research, and scholarship. That knowledge may involve faculty, student, staff, and third-party authors and inventors. It often takes the form of intellectual property which can be further developed and/or shared with others, both locally and nationally, for further societal benefit via commercialization. This Policy seeks to protect the interests of both intellectual property creators and RIT, while also ensuring that the RIT community and society benefit from the fair and full dissemination of knowledge and innovation.

This Policy should be read together with the procedures promulgated hereunder; the RIT Honor Code; and the other policies of RIT, including, but not limited to, the Individual Conflict of Interest and Commitment Policy, RIT policies for externally funded projects, and copyright policies. RIT's policies are available online at <http://www.rit.edu/~w-aa/Manual/>. The electronic version of this Policy will, from time to time, contain "Frequently Asked Questions" which interpret and detail the applicability of the Policy to various practical situations.

**2. EFFECTIVE DATE**

This Policy will be effective on \_\_\_\_\_, 2009 ("Effective Date") for all Personnel. It will apply to all Intellectual Property disclosed on or after the Effective Date. Intellectual Property disclosed before the Effective Date will remain subject to the RIT Intellectual Property Policy approved on October 15, 1997, and as amended from time to time, unless otherwise agreed by RIT and all Creators of the Intellectual Property.

**3. DEFINITIONS**

Terms not defined elsewhere in this policy are defined below.

A **Creator** means any individual or group of individuals, affiliated with the university or not, who make, conceive, reduce to practice, invent, author, or otherwise make a substantive intellectual contribution to the creation of Intellectual Property.

- B. **Curriculum** means the descriptive attributes of a collection of university Courses, such as Course descriptions, Course sequences, intended learning outcomes, and Course topics, that constitute an area of specialization.
1. **Course or Courses** means individual units of learning, usually defined by expected outcomes, in which participants engage prescribed subject matter as determined by Curriculum.
  2. **Course Material** means educational subject-matter artifacts used to deliver a Course, including syllabi, assignments, tests, notes, presentations, and examples created for RIT classroom and learning programs that are used to deliver Courses.
- C. **Distance Learning**, according to the US Distance Learning Association (USDLA), means “The acquisition of knowledge and skills through mediated information and instruction, encompassing all technologies and other forms of learning at a distance.”
- D. **Electronic Delivery of Course Material** means real-time or recorded delivery of instructor led Course Material regardless of the transmitting method, recording and playback method, or media used.
- E. **Equity** means shares of common or preferred stock, options to purchase, warrants and other convertible instruments, and any other instruments representing an ownership interest in a commercial venture or the right to acquire the same. However, Equity shall not include the receipt of real or personal property; e.g., real estate or equipment.
- F. **Expressed Assignment** means an explicitly stated task or duty. An Expressed Assignment must be described in writing and can be within or outside the Scope of Employment.
- G. **Faculty** means individuals employed by RIT as collectively defined in RIT policies [E 1.0 \(Employee Classification and Status--Faculty\)](#) and [E 6.1 A and B \(Policy on Faculty Rank--Definitions of Faculty Rank\)](#).
- H. **Include** or **including** means including but not limited to.
- I. **Intellectual Property** or **IP** means and includes any disclosure of inventions, either orally or in writing; inventions and discoveries (patented, patentable, or otherwise); know-how and other trade secrets; processes; unique materials; works of authorship; software; other creative, artistic, or copyrightable works; trademarks and service marks; mask works; and any other tangible or intangible thing protectable at law which has value. IP also includes physical embodiments of intellectual effort; e.g., models, machines, devices, designs, apparatus, instrumentation, circuits, computer programs, biological materials, chemicals,

other compositions of matter, plants, research records and data, and laboratory notebooks and reports.

- J. **Internally Funded Research** means any research project funded by an RIT division, college, or department with internal funds.
- K. **Original Work** means any IP, produced by Creator or Personnel, other than Course Material or [Scholarly Works](#).
- L. **Personnel** means all regular and temporary RIT staff and faculty, as defined in Policy E1.0 ([Employee Classification and Status](#)), as well as Student Employees acting within the Scope of Employment, non-employee consultants, visitors, and others using Resources.
- M. **Research Agreement** means a grant, contract, cooperative agreement, or other agreement under which research or development activities will be carried out, or any other agreement administered by RIT that relates to Intellectual Property created under such agreement.
- N. **Resources** means any support administered by or through RIT, including funds, facilities, equipment, or Personnel; and funds, facilities, equipment, or Personnel which are provided by governmental, commercial, industrial, or other public or private organizations and administered or controlled by RIT.
- O. **Revenue** means all cash and non-cash consideration paid by a third party in exchange for specific Intellectual Property rights. Revenue does not include research support in any form (e.g., from Research Agreements, restricted grants, or unrestricted grants), tuition income, or contract income.
- P. **Scholarly Works** include textbooks, theses, dissertations, and artistic works, which are covered by copyright law.
- Q. **Scope of Employment** means all activities related to: (1) the field or discipline of the faculty member's appointment, including the general obligation of a faculty member to teach, to do creative work, and to conduct research; and (2) the employment responsibilities of non-faculty Personnel for which such Personnel receive compensation from RIT, where compensation is any consideration, monetary or otherwise, including the ability to use Resources. When determining the employment responsibilities of non-faculty RIT Personnel, the primary source for determination should be that individual's job description.
- R. **Significant Use of Resources** means use of Resources, including assistance from Personnel, that is not nominal or incidental and is material to the development of the applicable Intellectual Property. RIT acknowledges that the precise determination of what usage of Resources shall be considered significant involves the exercise of judgment based on the circumstances and on practices

within the discipline. Although it is the responsibility of the Dean or appropriate Divisional Vice President to evaluate situations and determine if substantial use of resources has occurred, Personnel have an obligation to notify their supervisor when their work may involve more than nominal use.

**Significant Use of Resources includes:**

1. the use of specialized research-related facilities, equipment, or supplies provided by RIT;
2. more than [nominal or incidental](#) use of RIT non-faculty Personnel, including Students; or
3. extended use of Personnel's time and energy in creating or promoting the work that results in significantly reduced levels of job performance.

**Significant Use of Resources does not include:**

1. Student use of Resources to fulfill their Course requirements.
2. Nominal or incidental use of resources, including the use of routinely available office equipment, assigned office space, desktop and laptop computers, telephones, library facilities, and copiers.

S. **Students** means Undergraduate Students, Graduate Students, non-matriculated Students, and students in not-for-credit programs. A Student on a co-op assignment is considered an employee of the sponsoring company.

1. **Undergraduate Student** means individuals enrolled at RIT who do not qualify as graduate students. Undergraduate Student shall also include matriculated individuals enrolled at RIT as candidates in a combined master's and bachelor's program who have not reached the appropriate number of credit hours sufficient to be classified as Graduate Students.
2. **Graduate Student** means matriculated individuals with a bachelor's degree and enrolled as candidates for an advanced degree. Graduate Student shall also include candidates in a combined master's and bachelor's program who have reached the appropriate number of credit hours sufficient to receive in their field of study, but not yet holding, a bachelor's degree.

T. **Student Employee** means Students, who are also RIT employees, acting within the Scope of Employment and includes co-op Student employees.

#### 4. GENERAL PROVISIONS

- A. **Purpose.** The purpose of this Policy is to set forth the terms and conditions whereby RIT, Personnel, and Students establish and maintain their interests in Intellectual Property created by or used at RIT, taking into account RIT activities, applicable laws, federal policies, and the mission of RIT. However, it is acknowledged that such activities and other factors are diverse and subject to sometimes rapid change. Therefore, this Policy cannot and should not be mechanically applied to every situation that might arise. Decisions are expected, in the exercise of professional judgment, to best serve the public, to result in the effective and efficient transfer of knowledge, and to be consistent with RIT policies and objectives. Procedures under this Policy shall be established by the Intellectual Property Policy Committee and shall be consistent with interpretations of this Policy. In the event of a conflict between the procedures established and this Policy, this Policy shall govern. Subject to the foregoing, this Policy also recognizes certain general principles:
1. RIT encourages the wide dissemination of ideas and creative works produced at RIT for the greatest possible public benefit.
  2. The traditional right of scholars to publish should be protected.
  3. If RIT support makes an enterprise possible or if RIT provides extra or special support for the development or production of ideas and works, either with money, facilities, equipment, or staff, it is reasonable for RIT to be reimbursed for its extra or special costs and/or to participate in the fruits of the enterprise if the resulting ideas or works are introduced commercially.
- B. **Scope.** All affected Personnel and Students shall comply with this Policy, as amended from time to time. This Policy is considered part of the conditions of employment, enrollment, or participation in a sponsored research project, and shall be referenced in the *Students Rights and Responsibilities* handbook.
- C. **Unauthorized Actions.** Personnel and Students may not: (1) sign agreements or take any action on behalf of RIT unless they are authorized agents of RIT and have the express permission of their Divisional Vice President or Dean; or (2) make unauthorized use of RIT's name. RIT will not honor unauthorized actions or agreements.
- D. **Acquisition.** RIT may acquire ownership or use of Intellectual Property by assignment, license, gift, or any other legal means. RIT shall administer such Intellectual Property in accordance with this Policy unless otherwise required by the terms of the acquisition.

- E. **Administration of Non-RIT-owned Intellectual Property.** At the request of the owner, Intellectual Property not owned by RIT may be administered by RIT. This Policy shall govern that administration unless RIT agrees otherwise in writing.

## 5. OWNERSHIP AND USE

- A. **RIT General.** RIT shall have the right to reproduce and otherwise use for research and educational purposes any IP, whether owned by RIT, Personnel, or Graduate Student, created in whole or in part through the use of any Significant Resources. RIT further reserves the right to pursue multiple forms of legal protection for IP which it owns or for which it claims ownership. Software, for example, may be protected by copyright, patent, trade secret, and trademark. In addition, RIT shall own all rights in:

1. **patentable inventions and copyrightable works** created by Personnel while on paid leave, including sabbatical, that is a direct result of Personnel's duties to RIT; and
2. **IP as stated in written agreements.** If RIT wishes to secure additional rights in any IP, it shall so specify in writing at the time it provides the Resources.

### B. Responsibilities of Personnel and Students

1. **Assignment.** For Intellectual Property and other work to which RIT has or had rights of ownership or use under this Policy, Creators, Personnel, and Students shall, upon request, execute all appropriate legal documents, including assignments, and perform such acts designed to assist RIT or its assignees in proving or benefiting from such rights, all as deemed appropriate by RIT but at no out-of-pocket expense to applicable Creators, Personnel, and Students.
2. **Students.** Students may be requested to grant rights in Student-owned IP to RIT or others as a condition of access to certain class projects, independent research projects, or other programs at RIT. Students who choose not to grant rights in Student-owned IP shall not participate in these class projects, independent research projects, or other programs, but shall be given the opportunity to participate, without penalty, in alternative projects which do not require the granting of rights in Student-owned IP.
3. **Use.** All Personnel and Students are responsible for complying with RIT policies and guidelines, and all applicable laws regarding Intellectual Property.

4. **Personnel.** Newly employed or newly engaged Personnel shall disclose in writing to the Director of the Intellectual Property Management Office any IP they own or have developed, which they plan to continue using, teaching, or researching while employed or engaged by RIT. The Vice President of Research shall determine the appropriate ownership of this IP, in consultation with the Office of Legal Affairs. Should it be determined that the Personnel do not own the IP, its use at RIT may be restricted. Should it be determined that the Personnel own the IP, its use at RIT shall be consistent with other RIT policies and procedures, including but not limited to the Individual Conflict of Interest and Commitment Policy.

The decision of the Vice President of Research may be appealed to the Intellectual Property Policy Committee. The decision of the Intellectual Property Policy Committee may be appealed to the appropriate Divisional Vice President, whose decision shall be final.

**C. Responsibilities of RIT**

1. **Use of Resources.** When RIT authorizes or directs efforts to create a work involving the Significant Use of Resources, it shall enter into a written agreement addressing the extent of use of such Resources, the schedule for the project (if appropriate), control over the work and its revisions, and ownership of the resulting IP, if any.
2. **Revenue Sharing.** RIT shall remit to Creators their share of Revenue as specified in Section 7 of this Policy.

**D. Undergraduate Students.** Undergraduate Students own IP they create unless it is subject to another provision of this Policy or it is created under Research Agreements or Internal Research and Development funded programs.

**E. Graduate Students.** Graduate Students own IP they create unless it is subject to another provision of this Policy, is created under Research Agreements, or the Graduate Student received a scholarship, stipend, research grant, or research assistantship. In the event the Graduate Student received an RIT-administered scholarship, stipend, research grant, or research assistantship, RIT shall own any IP created by the Graduate Student within the field of study or research and while the Graduate Student was receiving such payments.

**F. Dissertations and Theses Publication.** It is not the intent of RIT to unreasonably delay the publication of required Dissertations and Theses on the basis that they contain patentable IP owned by RIT or a research client/Sponsor. In the event that publication of a graduate thesis must be delayed due to disclosure of RIT IP, the Intellectual Property Management Office shall promptly resolve the disclosure issue so as not to impact the Student's graduation.

- G. **Externally Funded Research.** All Intellectual Property developed by Personnel or Student Employees performing work sponsored by governmental, commercial, industrial, or other public or private organizations shall belong to RIT, unless otherwise specified in a written agreement or applicable federal or state laws and regulations. However, on a case-by-case basis, RIT may agree to assign ownership or licensing rights to the sponsor, subject to RIT's right to reproduce and otherwise use the Intellectual Property for research and educational purposes. The Vice President of Research shall approve any such agreement.
- H. **Internally Funded Research.** All Intellectual Property developed by Personnel or Student Employees performing work under Internally Funded Research shall belong to RIT. However, on a case-by-case basis, RIT may agree to assign ownership or licensing rights, subject to RIT's right to reproduce and otherwise use the Intellectual Property for research and educational purposes. The Vice President of Research shall approve any such agreement in writing.
- I. **Original Work** shall be owned by the Creator or Personnel unless it:
1. is subject to any claim of ownership by another entity or individual. In that case, Original Work shall be owned by the other entity or individual with the valid claim of ownership.
  2. was created with the Significant Use of RIT Resources. In that case Original Work shall be owned by RIT.
  3. was created in connection with an Expressed Assignment or commissioning. In that case, Original Work shall be owned by the entity or individual providing the Expressed Assignment.
  4. was created within the Creator's scope of employment, under an Internally or Externally Funded Research program, or other agreement which requires the IP to be assigned to RIT or Sponsor.
- J. **Curriculum.** Any IP produced by Creator or Personnel which establishes the framework for a collection of university Courses to establish a Curriculum is owned by RIT.
- K. **Course Material** copyrights shall be owned by the Creator or Personnel regardless of their use in Distance Learning or Electronic Delivery of Course Material unless they:
1. are subject to any claim of ownership by another entity or individual. In that case, Course Material shall be owned by the other entity or individual with the valid claim of ownership.
  2. were created with the Significant Use of RIT resources. In that case Curriculum shall be owned by RIT.

3. were created in connection with an Expressed Assignment or commissioning or under the Scope of Employment. In that case, Course Material shall be owned by RIT.
- L. [Scholarly Works](#) shall be owned by the Creator or Personnel unless they:
1. are subject to any claim of ownership by another entity or individual. In that case, Scholarly Works shall be owned by the other entity or individual with the valid claim of ownership.
  2. were created with the Significant Use of RIT resources. In that case Scholarly Works shall be owned by RIT.
  3. were created in connection with an Expressed Assignment or commissioning or under the Scope of Employment. In that case, Scholarly Works shall be owned by RIT.
  4. were created under an internal or external research program, or other agreement which requires the IP to be assigned to RIT or Sponsor.

## 6. IP ADMINISTRATION

- A. **Administrative Responsibility.** RIT's President has ultimate authority for the stewardship of Intellectual Property developed at RIT. Primary responsibility for this Policy has been delegated to the Provost and through the Provost to the Vice President of Research, who shall be responsible for establishing operational guidelines and procedures for the administration of IP, including determination of ownership, assignment, protection, licensing, marketing, maintenance of records, oversight of Revenue collection and distribution, approval of individual exceptions, and initial resolution of disputes among Creators and/or other affected individuals, entities, or RIT organizations.
- B. **IP Administration.** Day-to-day administration and operational functions shall be performed by the Intellectual Property Management Office staffed by a Director.
- C. **Disclosure.** All Intellectual Property in which RIT has an ownership interest under this Policy and that has the potential to be brought into practical use for public benefit or for which disclosure is required by law shall be reported promptly in writing by the Creator to the Intellectual Property Management Office using the disclosure form provided by that office, as amended from time to time. The disclosure of the subject matter of the discovery or development shall be full and complete and identify the Creator. The Creator shall furnish such additional information and execute such other documents from time to time as may be reasonably requested.
- D. **Evaluation**

## 1. Technical Review Panels

The Director of the Intellectual Property Management Office may convene Technical Review Panels. These Technical Review Panels shall be responsible for making recommendations regarding whether RIT should seek Intellectual Property protection for specific inventions or creations. Members of these Technical Review Panels must have some level of expertise in the content of the disclosure and knowledge in Intellectual Property issues related to teaching, research, or commercialization. The Director of the Intellectual Property Management Office shall determine the number of members to serve on these various Technical Review Panels. These Technical Review Panels are expected to make recommendations to the Intellectual Property Policy Committee regarding evaluation, patenting, and licensing of the specific IP considered.

## 2. The Intellectual Property Policy Committee

The Intellectual Property Policy Committee shall review the recommendation made by the Technical Review Panel and make a recommendation to the Provost. The Provost shall have ultimate responsibility for determining whether RIT should seek protection for specific inventions or creations. The Intellectual Property Policy Committee shall consist of five members. One member shall be appointed by the Academic Senate, one by the Staff Council, and one by the Student Government; two members from the Institute community shall be appointed by the Provost. The members shall serve staggered three-year terms. Initially, two members shall serve two-year terms and three shall serve three-year terms.

- E. **Questions Related to University Ownership.** If there is a question as to whether RIT may have a valid ownership claim in any IP, the Creator should disclose the IP to RIT in writing. The disclosure shall not affect the Creator's claim. RIT will provide the Creator with a written statement as to RIT's ownership interest.
- F. **Timely Evaluation.** RIT will inform the Creator in writing of its final decisions regarding protection, commercialization, and/or disposition of IP within 90 days after the Creator discloses the IP to RIT. However, specific terms of agreements with external parties may be proprietary business information and subject to confidentiality restrictions.
- G. **Assignment of RIT IP to Creator(s).** If RIT decides to cease development or protection of any RIT-owned IP, ownership may be assigned to the Creator as allowed by law subject to the rights of sponsors and to the retention of an internal use license to, at least, reproduce and otherwise use the IP for RIT's purposes of education, research, and public service on an irrevocable, royalty-

free, non-exclusive basis. The assignment or license may be subject to additional terms and conditions, such as Revenue sharing with RIT or reimbursement of the costs, when justified by the circumstances of development.

- H. **Commercialization of RIT IP by Creator.** RIT may, at its discretion and consistent with the public interest, license Intellectual Property to the Creator or Personnel. The Creator must demonstrate technical and business capability to commercialize the IP and may be required to assume the cost of statutory protection. Agreements with Creators will be subject to review by the appropriate Dean or Vice President ultimately responsible for the Creator's College or division to ascertain compliance with RIT policies, including the Individual Conflict of Interest and Commitment Policy. The Creator may appeal the initial decision of the appropriate Dean or Vice President to the RIT Intellectual Property Policy Committee. The decision of the Intellectual Property Policy Committee may be appealed to the Provost or the appropriate Divisional Vice President, whose decision shall be final.
- I. **Acceptance of Independently Owned Intellectual Property.** RIT may accept assignment of IP from others provided that such action is determined to be consistent with this Policy and provides some value to RIT.
- J. **Consulting Agreements and Arrangements.** Personnel engaged in external consulting work or businesses, whether formalized in writing or not, are responsible for ensuring that those consulting agreements and arrangements are not in conflict with RIT contractual agreements, this Policy, or other RIT policies, including the Individual Conflict of Interest and Commitment Policy. Personnel should make this Policy and their RIT obligations known to others with whom they make such agreements or arrangements.
- K. **Statement by Creators.** Creators of IP owned by RIT may be required to state that, to the best of their knowledge, the IP does not infringe on any existing patent, copyright, or other legal right of third parties; that if a work is not original with the Creators, all necessary permissions have been obtained; and that the work contains no libelous or otherwise offensive material or material that invades the privacy of another.
- L. **Contractual Authority.** Licenses, options for licenses, and other agreements related to commercialization of Intellectual Property will be granted in the name of RIT. All such contracts shall be executed by the Vice President of Research.
- M. **Preferential Treatment of Sponsors.** Each Research Agreement shall provide that all IP developed as a result of the sponsored research project shall belong to RIT unless otherwise specified in writing. The sponsor may receive an option to license the resulting IP on terms to be negotiated, such option to be exercised within a specified period following the disclosure of the IP. When the nature of the proposed research allows identification of a specific area of Intellectual

Property or application which is of interest to the sponsor, RIT may accept research agreements with terms which entitle the sponsor to specific commercial rights within the defined field of interest.

Otherwise, the specific terms of licenses and rights to commercial development shall be based on negotiation between the sponsor and RIT at the time of exercise of an option by the sponsor and shall depend on the nature of the Intellectual Property and its application, the relative contributions of RIT and the sponsor to the work, and the conditions deemed most likely to advance the commercial development and dissemination of the relevant Intellectual Property.

Where an exclusive license is deemed appropriate, the license agreement shall require diligent commercial development of the IP by the licensee. RIT may also determine, on a case-by-case basis, that it is in RIT's interest to assign ownership of resulting IP to the sponsor as an exception to this Policy when circumstances and any applicable federal law or regulation warrant such action, in accordance with guidelines established by RIT Intellectual Property Committee.

- N. **Appeals.** After following the administrative guidelines and procedures established under this Policy, any Creator may appeal to the RIT Intellectual Property Policy Committee to seek resolution of complaints or questions regarding the matters addressed in this Policy. The decision of the Intellectual Property Policy Committee may be appealed to the appropriate Divisional Vice President, whose decision shall be final.

## 7. REVENUE DISTRIBUTION

- A. **Generally.** All Revenue received by RIT shall be governed by this Policy, and RIT shall have no financial obligation to any Creator, or designated beneficiary of Creator, with respect to Intellectual Property except in accordance with this Policy.
- B. **Reimbursement/Reserve.** When Revenue is received, all out-of-pocket payments or obligations attributable to protecting the applicable IP, marketing, licensing, or administering the IP may be deducted from such Revenue. When determining the actual amount of all out-of-pocket payments or obligations attributable to the applicable IP, RIT shall take into account all payments made on a cumulative basis for each licensing transaction. At the sole discretion of RIT, under certain circumstances, a reasonable reserve for anticipated future expenses, including defense against infringement or enforcement actions and other legal fees and expenses, may also be deducted from Revenue. The Revenue remaining after such deductions is defined as Net Cumulative Revenue. At least annually, RIT shall distribute Net Cumulative Revenue due Creators or their designated beneficiaries under this Policy.

C. **Distribution.** RIT will distribute Net Cumulative Revenue according to the following chart:

<b>Recipient</b>	<b><u>Net Cumulative Revenue</u> \$0 - \$10,000</b>	<b><u>Net Cumulative Revenue</u> Over \$10,000</b>
RIT Creator(s)	100%	50%
RIT Creator(s)' Home Department(s)	-	15%
College Dean or Appropriate Divisional VP's Department	-	10%
Central Administration	-	25%

To further encourage faculty and staff to file patents, the Creator(s) will share in an incentive payment of \$500 when a regular (non-continuation) US patent application is filed and an incentive payment of \$500 when a US patent is issued.

If there are multiple Creators, Net Cumulative Revenue shall be divided equally among them absent a mutual written agreement to the contrary. If there is any dispute among Creators, RIT will, subject to applicable law, make the final determination of the allocation of Net Cumulative Revenue.

D. **Equity Distribution.** If RIT receives or is entitled to receive Equity under the terms of an agreement, the Equity or its proceeds shall be shared in the same proportions as indicated for Net Cumulative Revenue in the distribution chart in Section 7C subject to the following. When RIT accepts Equity, RIT, taking into account any legal restrictions and the wishes of each Creator involved, shall either:

1. arrange for the Creator to receive his or her share of Equity directly upon execution of the relevant agreement; or
2. take all equity, including the Creator's share, in the name of RIT, in which case the Provost will make decisions regarding Equity disposition based upon business judgment and publicly available information, and will coordinate with the appropriate RIT officials if necessary. In such latter case, the Creator's sole right shall be the receipt of the appropriate share of such Equity or its cash equivalent at such time and in such form as the Provost shall deem appropriate. In no event shall RIT or any related

individual be responsible for any damages resulting from the administration of the Equity or the fluctuation in the value of the Equity.

Personnel or Students not qualified to hold the Equity under applicable law shall designate a qualified person to receive the Equity. If no designee is named within thirty days after a written request by RIT to do so, the right to a share of the Equity shall be forfeited to RIT.

- E. **Exception When Creator Has No Entitlement.** If RIT accepts research support in the form of a Research Agreement or unrestricted grant as part of the consideration in an Intellectual Property license in lieu of an option fee, license fee royalty, or other consideration, the Creator and other recipients of Net Revenue shall have no entitlement to receive a share.
- F. **Revenue from Actions for Defense or Enforcement of IP Rights.** When RIT receives Revenue from third parties resulting from successful actions for the purpose of defending or enforcing RIT's rights in its Intellectual Property, such Revenue may first be used to reimburse RIT (or the sponsor or licensee, if appropriate) for all expenses incurred in such actions. The Creator and other recipients of Net Revenue shall be entitled to recovery of lost royalties from the remaining Net Revenue in the same proportions as specified in the chart above.
- G. **Co-owned IP.** Sometimes Intellectual Property is co-owned with another institution or entity. In such cases, RIT will enter into an inter-institutional agreement with such entity under which income and expenses will be shared and responsibility for IP protection will be assigned. RIT may also engage a third party to license IP if the third party has special expertise, and the third party may be allocated a portion of the related Revenue. In each instance, the remaining Net Revenue will be distributed according to the [RIT Intellectual Property Policy Section 7](#).
- H. **Departure from RIT.** A Creator's share of Net Revenue will continue after the Creator has left RIT.