

**DESCRIPTION OF PROCEDURE FOR THE MANAGEMENT OF INTELLECTUAL
PROPERTY AND TRANSFER OF KNOWLEDGE OF THE LITHUANIA BUSINESS
UNIVERSITY OF APPLIED SCIENCES**

I. GENERAL PROVISIONS

1. The Description of the Procedure for the Management of Intellectual Property Rights and Knowledge Transfer (hereinafter referred to as the Description) of the Lithuania Business University of Applied Sciences (hereinafter referred to as the University) sets out the procedure for the management, use and disposal of intellectual property rights created by the University's employees and students.

2. The description has been prepared in accordance with the Law on Science and Studies of the Republic of Lithuania, the Law on Patents of the Republic of Lithuania, the Law on Copyrights and Neighbouring Rights of the Republic of Lithuania, the Law on Trademarks of the Republic of Lithuania, the Statute of the University, the Regulations of the University of Science and Art Activities and other legal acts.

3. The Description shall apply to the University employees and learners, as well as to the persons working in the University or projects implemented by the University or other activities carried out by the University related to the creation of intellectual property.

4. Terms used in the description:

Author means an employee of the University or a student who has individually created an intellectual property object.

Copyright objects mean original literary, scientific and artistic works defined in the Law of the Republic of Lithuania on Copyright and Related Rights.

Copyright holders means the author, another natural or legal person who, in the cases provided for in the Regulations, holds exclusive economic copyright, as well as a natural or legal person to whom the exclusive economic copyright has been transferred (the copyright assignee).

Co-authors mean the persons who have created an object of intellectual property by joint creative work, regardless of whether that object forms an indivisible whole or consists of parts each of which has its own independent significance.

Employees mean persons working at the University under employment contracts concluded with them.

Database means a structured or methodically organised collection of works, data or other material that is individually accessible, electronically or otherwise, excluding computer programs used to create or manage such databases.

Know-how is commercial or other practical experience, a body of knowledge of various kinds,¹

valuable for its practical applicability.

Subject of a moral right is a live performance, a performance of a work recorded only in an audio or audiovisual medium, a phonogram, the first recording of an audiovisual work (film), or a broadcast by a broadcasting organisation such as a radio or television.

Intellectual property means property and personal non-property rights provided for by law and granted to the author (s) of an object for the results of creative and intellectual work activities or objects of an intangible nature arising on the basis of activities related to such activities.

Personal non-property rights mean the rights related to the author's person specified in the relevant laws (for example, the author of a literary, scientific or artistic work has the following personal non-property rights: the right of authorship, the right to the author's name and the right of integrity of the work; the inventor has the authorship of the invention and the rights to the inventor's name, etc.). The rights of the holders of intellectual property rights shall be related to the use of intellectual property objects and shall be enshrined in the relevant laws of the Republic of Lithuania on the protection of intellectual property rights.

Objects of intellectual property mean objects of copyright and related rights, objects of industrial property (inventions, trademarks, designs, "know how", commercial secrets) and other intellectual creative activity results specified in laws and complying with the requirements of laws.

Invention means the result of technical creation that is globally applicable to an industry at the level of invention: an object, process or method for solving a technical problem.

Trade secret means information of various kinds of potential commercial value that is not known to the public and whose holder guarantees its confidentiality. The information that cannot be considered a business secret is determined by law.

Computer program means a set of instructions, whether in words, codes, diagrams or otherwise, which enable a computer to perform a particular task or achieve a particular result, when those instructions are given in a form that can be read by a computer; the term also covers the preparatory design material for such instructions, provided that such instructions can be derived therefrom.

Confidential information means all information concerning the intellectual products or parts of intellectual products developed by the staff of the Institution, the research carried out and/or the results of such research, as well as any other data relating to the activities carried out by the University, and know-how which is considered to be a commercial secret. Confidential information shall also include information concerning or relating to third parties which has come to the knowledge of a person in the course of the performance of his or her duties under an employment or service contract concluded with the University.

Licence (licence agreement) is an authorisation from the holder of the intellectual property rights (the licensor) granting the user of the intellectual property rights (the licensee) the right to use the intellectual property object (the subject matter of the licence) in a specified territory in the manner and on the terms and conditions provided for in the licence agreement. The licence may be exclusive or non-2

exclusive. An exclusive licence is a licence by which the licensor grants to the licensee the right to use the subject matter of the licence, but forfeits the right to grant the same licences to other persons and has no right to use the subject matter of the licence itself, to the extent of the rights conferred on the licensee. A non-exclusive licence is a licence by which the licensor grants to the licensee the right to use the subject matter of the licence, while retaining the right to grant the same right to other persons and to use the subject matter of the licence itself. A licence may be granted in respect of all or part of the intellectual property rights in an object throughout the territory of the world or in the territories of certain States.

Tangible property means tangible property related to intellectual property objects: engineering drawings, prototype devices, equipment.

Patent is a form of legal protection for inventions.

Students mean persons studying at the University under study agreements concluded with them, including those studying under exchange programmes.

Transfer of knowledge means the transfer of intellectual property rights of the University to a business, which applies to both registered and unregistered intellectual property. Knowledge transfer can involve several stages of research and experimental development: creation of knowledge in cooperation with businesses, other entities and transfer of knowledge by licensing.

5. When establishing the procedure for the management, use and disposal of intellectual property rights created by employees and students, the University aims to:

5.1. Ensure administration of protection, supervision and defence of intellectual property objects created by the University staff and students and transferred to the University;

5.2. Create intellectual commercial conditions for the results of the activities, which help to rationally use the intellectual results of the activities and creations, combining the interests of the University and the author;

5.3. Ensure sufficient awareness and transparency of employees and students on intellectual property management issues and to create the most favourable conditions for commercialisation of scientific results;

5.4. Ensure the widest possible dissemination and dissemination of scientific results, without prejudice to the intellectual property protection mechanism.

0. University staff and students enjoy academic freedom, which guarantees the free dissemination of artistic and scientific results without infringing intellectual property rights.

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II. OWNERSHIP OF INTELLECTUAL PROPERTY, COPYRIGHT AND RELATED RIGHTS

6. Property rights. Objects of copyright and related rights created by the University staff (study programmes, descriptions of study modules, lecture summaries, methodological tools, textbooks and monographs) shall pass to the University for a period of 5 years from the date of their creation; computer programmes and databases created by employees and students shall pass to the University in perpetuity

if they are created in the performance of official duties or job functions as provided for in employment contracts, job descriptions or other internal documents of the University, unless otherwise stipulated in the contract.

8. Property rights in copyright and related rights objects which are the result of creative activities of the employees of the University, which are not related to the performance of official duties or job functions provided for in employment contracts, job descriptions, departmental regulations or other internal legal acts of the University, belong to the creators thereof.

9. Property rights of University employees. Copyright and related rights may be assigned or licensed to the University by means of a copyright assignment or licence agreement. The transfer of copyright to the University may be total or partial, gratuitous or non-gratuitous.

0. Where the University pays for the preparation (and) or publication of works created by University staff and students, the property rights in these works are transferred to the University by copyright agreement for a period of 5 years, unless otherwise agreed in the copyright agreement.

1. If the University and/or other institutions pay for the preparation (and) publication of a work produced by University staff, students and co-authors from other institutions, the obligations of the University and the disposition of the intellectual property rights in the work shall be determined by a copyright agreement.

2. When publishing or making public in any way works created by the employees of the University or learners of the University, regardless of who owns the property rights to them, the inscription "Lithuania Business University of Applied Sciences" must be made or the author's relationship with the Lithuania Business University of Applied Sciences must be shown in another way. This provision does not apply only in cases of personal creativity not related to research or study activities at the University.

3. The University supports and encourages open access to research data, scientific information and scientific works, provided that it does not contradict the laws of the Republic of Lithuania and the internal rules of the University.

4. At the end of the term of validity of the contract in respect of which the economic rights of the work have been transferred to the University, the employee (author) who has an intention to transfer the economic rights to another institution must inform the head of the University Science and Applied Research Division and ascertain whether the University has no interest in extending the term of succession of the economic rights.

5. Students have the economic rights of the authors to their study works – graduation papers, course projects, papers, scientific articles, conference theses, etc., except for the cases when the experience, financial support, equipment or premises accumulated by the University were used, or when the University tools subject to copyright restrictions were used. The University has a non-exclusive licence to publish works created by students.

16. When a work is created by two or more employees or/and students through joint creative work, they are considered to be co-authors. Each co-author shall have the right to use, at his own discretion, the part of the joint work which he has created and which has independent significance, unless otherwise provided for in a contract concluded by the co-authors. A part of a co-produced work shall be deemed to have independent significance if it can be used separately from other parts of that work.

III. PROTECTION OF INTELLECTUAL PROPERTY RIGHTS

17. During the period of disposal of intellectual property, the University shall, in accordance with the procedure laid down by law, protect the copyright, related rights, property rights of patents, designs and other intellectual property objects belonging to it. The author is responsible for the originality of the subject-matter of the intellectual property. In cases of plagiarism or infringement of third party interests, the author may be subject to disciplinary action in accordance with the procedures laid down by the University, and if the University suffers material damage as a result, the offender shall be liable to compensate for this.

18. If the University has waived its proprietary rights in intellectual property objects and transferred them to the author, the latter shall be responsible for the protection and defence of the rights.

19. The author shall be responsible for the supervision and protection of authors' non-property rights.

20. The University and business entities or other partners shall agree on the supervision and defence of property rights and intellectual property rights created in joint projects by concluding appropriate agreements.

21. In cooperation with business entities, other partners in research, experimental development and other projects, the conditions for the management, use and disposal of intellectual property between the parties must be established in advance by contract.

IV. CONFIDENTIAL INFORMATION

22. Confidential information includes:

22.1. Pre-publication research information (empirical data, conceptual frameworks, diagrams, charts, interim results, summaries, computer programs, prototype drawings),

22.2. Invention disclosure descriptions;

22.3. Outsourced research and experimental development contracts, negotiation protocols, letters of intent, terms of reference, cost estimates, reports;

22.4. Project applications;

22.5. Patent applications before publication,

23. Researchers shall not have the right to disclose or transfer to third parties confidential research information as provided for in Clause 22 without the written consent of the University, except in the following cases:

23.1. Research carried out under research contracts or service contracts financed by national or foreign entities. In this case, confidential information may be disclosed only to the sponsor of research works or services in accordance with the procedure laid down in the contract;

23.2. Where research is carried out in the context of transnational programmes and projects financed by the Funds, which set out certain requirements for the dissemination of research results;

23.3. When the researcher decides to publish them or use them in conference papers. In this case, the disclosure of confidential research information provided for in point 22 shall be limited to the extent necessary for publication. Before publishing, the researcher must agree with the project manager the extent to which publication is permitted.

24. Each staff member and student must be instructed by the supervisor or project manager of the unit where the research activity is carried out before they can have access to research data considered as confidential.

V. AVOIDANCE OF CONFLICTS OF INTEREST, WAYS OF MANAGING AND RESOLVING CONFLICTS OF INTEREST

10. A conflict of interest may arise when the interests of the relevant employee and /or student or a third party directly conflict with the interests of the University.

0. In developing Intellectual Property and commercialising the results of Intellectual Property activities, University employees and students are recommended to follow the principles of balancing public and private interests and avoiding conflicts of public and private interests.

11. University staff members are required not to use non-public official information, as provided for in the Confidentiality Agreement, for non-official activities in order not to prejudice the interests of the University.

12. It is the responsibility of University staff and/or students to ensure that the interests of third parties are not prejudiced during the development of the Intellectual Property and during commercialisation. At the same time, employees and/or students shall have no right to arbitrarily transfer to third parties the rights belonging to the University to the intellectual property products created by them, the rights of which have been taken over by the University, except in the cases provided for by the agreement with the author.

29. In order to avoid and manage conflicts of interest, staff and students are advised to take into account:

29.1. First, identify relationships, services, activities or transactions that may give rise to a conflict of interest;

29.2. Where a situation of conflict of interest has arisen or is likely to arise, it is necessary to withdraw from the resolution of the issue causing the conflict and inform the immediate supervisor or the Director of the University about the situation.

30. In the event of a conflict of interest, resolution and conflict management measures shall include:

30.1. Heads of University departments, within their area of responsibility (as set out in their job descriptions), implement appropriate procedures and arrangements to ensure that staff and/or students do not handle transactions with third parties on behalf of the University.

30.2. Staff and/or students must abstain from all activities which give rise to a conflict of interest issues and solutions. In this case, the risk of questions is transferred to a colleague who is not at risk of a conflict of interest.

30.3. To perform tasks or additional work not related to the University activities, employees must be informed and obtain an oral permission of the direct supervisor.

VI. REGISTRATION OF INTELLECTUAL PROPERTY

31. The registration of copyright and related rights objects published or otherwise made available to the public is carried out by the University Library in the Lithuanian Academic Electronic Library (eLABa).

7. The originals (if the University has the original) of copyright and related rights objects to which the University owns the rights shall be kept, for the duration of the University's ownership of the copyright and related rights, in the University departments in which they are created. Upon the expiry of the rights of the University to copyright objects, the works shall be transferred (returned) to the authors upon request of the authors.

32. Intellectual property objects are registered as intangible assets in accounting in accordance with the 13th Public Sector Accounting and Financial Reporting Standard "Intangible Assets" approved by Order No IK-238 of the Minister of Finance of the Republic of Lithuania of 16 July 2008 (version of Order No IK-495 of 31 December 2009).

VII. WAYS OF COMMERCIALISING THE RESULTS OF INTELLECTUAL PROPERTY, DISTRIBUTION OF PROFITS AND PAYMENT OF ROYALTIES

8. Commercialisation of intellectual property rights is possible in the following ways:

34.1. Concluding and executing project ordering contracts;

34.2. Conclusion of publishing contracts;

34.3. Granting the right to use a work;

34.4. Entering into cooperation or other agreements with third parties;

34.5. In other ways provided for by law and contracts.

33. The University, having acquired the property rights of an intellectual property object, may pay the author a lump sum or periodic royalty for the transfer of property rights, provided that such royalty is not an integral part of the remuneration or other remuneration paid to the author. The amount of royalties depends on the economic value of a particular item and other benefits that the University may receive. The terms and conditions of the royalty and its payment shall be laid down in the agreement signed between the University and the author.

36. Proceeds from the licensing of patents and other intellectual property rights received in the⁷

previous financial year shall be distributed between the author (s) and the University in accordance with the following procedure not later than by 1 July of the current year:

Revenue after deduction of expenses incurred	Author(s)' share	Share of the University
Up to 30000 EUR	90 %	10%
From 30000 EUR	70%	25%

13. The income referred to in paragraph 30 of these Regulations shall be distributed to the author (s) by payment of a variable part of the remuneration or any other form of remuneration if the author (s) does (do) not receive royalties directly from the licence holder or another person. After the termination of the employment contract, the income between the author and the University shall not be apportioned, unless the University agrees otherwise with the author.

14. Unless the co-authors agree otherwise, the revenue after deduction of the expenses incurred shall be distributed among the co-authors in equal shares.

VIII. FINAL PROVISIONS

34. When creating intellectual property, University staff shall be guided by the principles of balancing public and private interests and shall avoid conflicts of public and private interests.

35. Employees and students of the University who violate the provisions of this Regulation shall be liable in accordance with the procedure established in the internal documents of the University and the legislation of the Republic of Lithuania.

36. The description of the procedure for the management of intellectual property and knowledge transfer of the Lithuania Business University of Applied Sciences shall enter into force in accordance with the procedure set out in the Statute of the University.