

# **Yuan Ze University Regulations on the Implementation of Spin-off Startups**

May, 08, 2019    Adopted at the 18<sup>th</sup> Administrative Council Meeting,  
Academic Year 2018

- Article 1        These Regulations are hereby formulated pursuant to the Fundamental Science and Technology Act, with the objective of enhancing the effectiveness of industry-academia collaboration, encouraging the University's faculty, staff, and students to exercise creativity, foster innovation, and engage in entrepreneurial development, and promoting the establishment of spin-off startups derived from the University's research and development achievements.
- Article 2        For the purpose of these Regulations, the term "faculty, staff, and students" refers to full-time faculty, staff (including contracted personnel), current students, and alumni of the University.
- Article 3        A "Spin-off Startup" in these Regulations refers to an incorporated association that is established, registered, and organized for the purpose of profit-making in accordance with the Company Act, which is derived from utilizing the University's resources, including the use of space, equipment, personnel, and tangible assets or intangible rights to which the University is entitled under relevant regulations, and by which the University is consequently entitled to equity or dividends in the Spin-off Startup. The University's Spin-off Startups shall primarily follow the following two models:
1.    Startup Incubation: an incorporated startup company derived from the commercialization and development of the University's research and development achievements by its faculty, staff, or students, with the University integrating internal and external resources to provide assistance.
  2.    Collaborative Entrepreneurship: an incorporated startup company derived from the collaboration between the University's faculty, staff, or students and an industry alliance, utilizing the University's academic research and development achievements as the core commercial technology.

- Article 4 Applicants for establishing a spin-off startup of the University shall submit to the Innovation and Entrepreneurship Center the following documents: a company name registration application, articles of incorporation, proof of capital deposit, a business plan for the spin-off enterprise, a cooperation agreement between the applicant and any collaborating units, disclosure of relevant interests, and any other supplementary materials that may assist in the review (e.g., mechanisms for giving back to the University). The establishment of a Spin-off Startup shall be subject to the review and final ratification of the Research and Development Committee.
- Article 5 A Spin-off Startup team approved through the review process stipulated in the preceding Article shall be provided with the following preferential terms, entrepreneurial counseling, and incentive mechanisms by the University:
1. Assistance with settling into the University's Innovation and Entrepreneurship Center, along with the provision of operational space, equipment, and other resources at a preferential rate.
  2. The Innovation and Entrepreneurship Center shall provide counseling services, including assistance with capital raising, operational guidance, and applying for government loans.
- Article 6 Incentive Mechanism for Faculty Participation in Spin-off Startups:
1. Part-time or Secondment Remuneration: In response to the operational needs of spin-off startups, faculty members participating in such startups shall enter into a cooperation agreement between the University and the spin-off enterprise. Any remuneration or benefits shall be handled in accordance with the Yuan Ze University Regulations on Faculty Secondment and the relevant regulations of the Ministry of Education.
  2. Faculty performance resulting from participation in a spin-off startup shall be considered as outcomes of industry-academia collaboration or technology transfer.
- Article 7 Should a Spin-off Startup require the use of the name or insignia of the University or any unit thereof for commercial purposes, such use shall be subject to the University's approval, and the agreement shall clearly stipulate the method and scope of authorization and use, and shall provide a feedback mechanism for the economic benefits derived from such authorization. The University shall not guarantee any commercialized results or assume liability for related products.

Article 8      Issues not addressed by these Regulations are handled by in accordance with relevant laws and regulations.

Article 9      These Regulations, as well as all subsequent revisions therewith, shall be duly adopted by the Administrative Council prior to implementation.

**The English translation is for reference only. In case of any discrepancy between Chinese and English versions, the Chinese version shall prevail.**