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| THE UNIVERSITY OF PARDUBICE | |
| Rector's Measure No. 2/2019 | |
| Subject: | Sustainability Plan of Proof-of-concept Activities (GAMA 2) |
| Applicable to: | all departments of the University of Pardubice |
| Effective from: | 31. května 2019 |
| Prepared and submitted by: | Ing. Michal Svoboda, Head of the Centre for Technology and Knowledge Transfer |
| Approved by: | prof. PhDr. Petr Vorel, CSc., Vice-Rector for Research |

Article 1

The Method of Monitoring Positively Evaluated Partial Projects and Shifting Their Outputs/results to the Phase of Products/Services Including Their Commercialization

- (1) Within the proof-of-concept sub-project management system at the University of Pardubice, sub-projects are monitored and their outputs/results are shifted to the product/service phase from the start of a sub-project to its completion (the method of monitoring partial projects is described in detail in the Concept of Support to Proof-of-Concept Activities at the University of Pardubice, presented as part of the TP01010012 project proposal).
- (2) Monitoring of positively evaluated completed sub-projects shall be carried out for a period of 3 years from their completion (the evaluation method is described in detail in the Concept of Support to Proof-of-Concept Activities at the University of Pardubice). Especially the shift in implementation/commercialization of results according to the commercialization plan, which is part of the Final Report of the partial project, is monitored. This phase of the project lifecycle fully targets specific customers or partners for commercialization from the area of application. Activities to support implementation/commercialization are carried out by the Centre for Technology and Knowledge Transfer (the "CTKT") in cooperation with project principal investigators; the progress of these activities is controlled by the University of Pardubice Commercialization Board.
- (3) Project monitoring after the completion and the end of financial support shall be carried out at annual intervals, always within 30 days of the end of the given implementation/sustainability year.
 - The principal investigator shall prepare the Implementation Report of the proof-of-concept sub-project.
 - The CTKT shall evaluate the compliance of the monitored period results with the commercialization plan and submit a summary of the Implementation Reports for the period to the Commercialization Board of the University of Pardubice.
- (4) The Commercialization Board of the University of Pardubice shall discuss and approve the Implementation Reports of sub-projects.
- (5) The rules described in Paragraphs (1) to (4) of this Article shall apply mutatis mutandis to sub-

projects positively evaluated under the TP01010012 project submitted for granting support under the 1st public tender of the GAMA 2 Programme, Sub-Programme 1.

Article 2

Description of the System of Gradual Replacement of the Volume of Financial Support of Proof-of-Concept Activities by Own Revenues from Cooperation with the Area of Application

- (1) The University of Pardubice is gradually replacing the financial support of proof-of-concept activities from the programmes of the Technology Agency of the Czech Republic GAMA/GAMA 2 with its own revenues from cooperation with the area of application.
- (2) Funds to support proof-of-concept activities are generated from successful cases of commercialization of R&D results (the “R&D”). The University supports and develops the activities of research teams working in the field of basic and applied research with the potential to commercialize results.
- (3) Revenues from the commercialization of R&D results are distributed according to Article 12 of the University Directive No. 1/2014 Protection of Intellectual Property Rights as amended by Amendment No. 1 and University Directive No. 1/2019 of the Statutes of the Commercialization Board of the University of Pardubice. Part of this income is placed in the so-called License Reserve Fund, see Table 1.

Table 1 - Distribution of Commercialization Revenues

| Revenues from commercialization of industrial property subject excluding VAT | Originator | Faculty | License Reserve Fund | University |
|--|------------|------------|----------------------|------------|
| from the amount of CZK 0 – 1.000.000 | 65 percent | 25 percent | 6 percent | 4 percent |
| from the amount of CZK 1,000,001 – 5,000,000 | 35 percent | 35 percent | 26 percent | 4 percent |
| from the amount of CZK 5,000,001 and more | 25 percent | 40 percent | 31 percent | 4 percent |

- (4) For the results supported under the project TP01010012 submitted for granting support under the 1st public tender of the GAMA 2 Programme, Sub-Programme 1, the distribution of funds obtained from the commercialization of R&D results shall be adjusted as shown in Table 2.

Table 2 - Distribution of Commercialization Revenues - GAMA 2

| Revenues from commercialization of industrial property subject excluding VAT | Originator | Faculty | License Reserve Fund | University |
|--|------------|------------|----------------------|------------|
| from the amount of CZK 0 – 1.000.000 | 40 percent | 20 percent | 36 percent | 4 percent |
| from the amount of CZK 1,000,001 – 5,000,000 | 30 percent | 30 percent | 36 percent | 4 percent |
| from the amount of CZK 5,000,001 and more | 25 percent | 35 percent | 36 percent | 4 percent |

The reason for changing the distribution of revenues from commercialization in favour of the License Reserve Fund is to ensure a sufficient volume of funds for the sustainability of proof-of-concept activities for at least five years from the end of the project, see Figure 1.

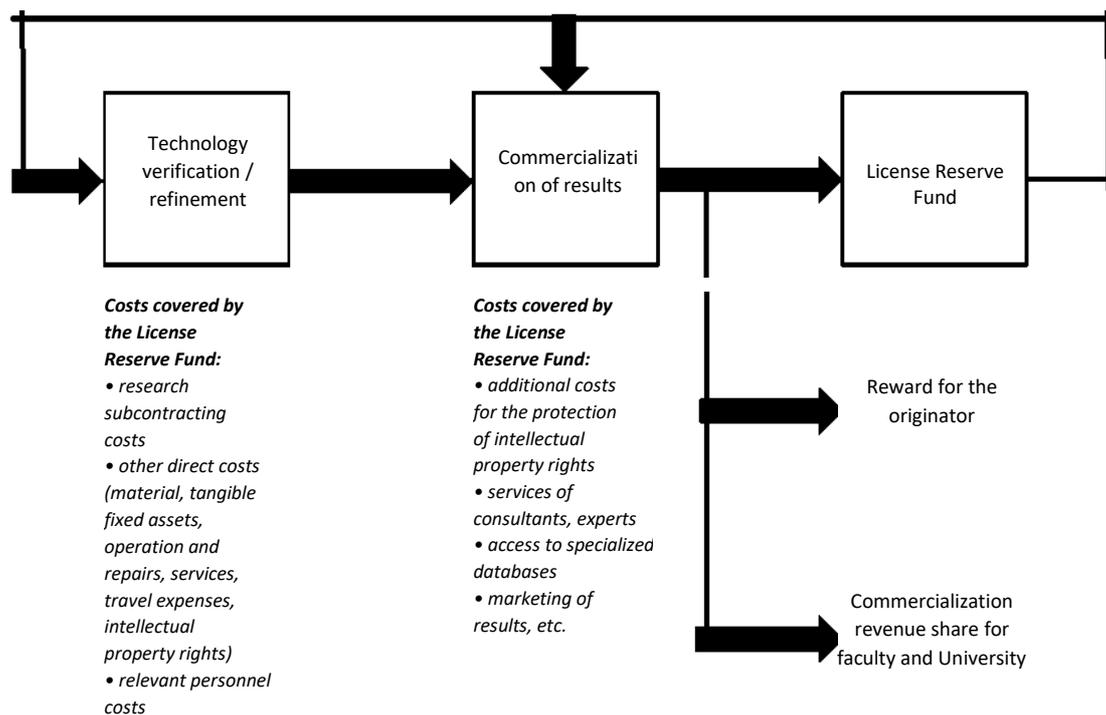


Figure 1 - Diagram of Sustainable Proof-of-Concept Support System

- (5) Funds accumulated in the License Reserve Fund are primarily used for the payment of basic remuneration to originators of industrial property in accordance with Articles 10 and 11 of the University Directive No. 1/2014 Protection of Intellectual Property Rights as amended by Appendix No. 1 and University Directive No. 1/2019 Statutes of the Commercialization Board of the University of Pardubice. They are also used to finance industrial property protection and implementation/commercialization of R&D results.
- (6) If sufficient funds are accumulated in the License Reserve Fund, the Rector shall announce an internal call for submission of sub-projects to support proof-of-concept activities. Sub-projects shall be selected and subsequently implemented with financial support from the License Reserve Fund in a similar way to sub-projects supported under the GAMA/GAMA 2 Programme. The minimum balance in the License Reserve Fund for announcing an internal call under this provision is CZK 5 million.
- (7) If the Technology Agency of the Czech Republic or another provider of financial support announces a programme of support for proof-of-concept activities requiring co-financing of the project from the applicant's own resources, the funds from the License Reserve Fund may be used for such co-financing.
- (8) The University also has its own funds obtained as part of the so-called ancillary activities. Ancillary activities include, in particular, contract research, expert consultations, consultancy and implementation of professional activities for application sphere entities, paid courses and expert activities. If necessary, part of the additional funding will be transferred to the License Reserve Fund to support proof-of-concept activities.

(5) The sustainability of proof-of-concept activities is further assured through the activities of the CTKT, which has the human and material resources to provide for proof-of-concept activities and subsequent steps to implement/commercialize the results. The CTCT is financed from the University's own resources and from grant funds.

Pardubice, May 31, 2019

prof. Ing. Jiří Málek, DrSc.
Rector