

National Taiwan Normal University Guidelines for the Management and Disposition of Technology Stock Rights Held from R&D Results

Passed during NTNU's 177th Academic Fund Committee Meeting on December 17, 2020

- I. National Taiwan Normal University (NTNU) hereby establishes these guidelines (hereinafter referred to as the “Guidelines”) as a management and disposition mechanism for the utilization of technology stock rights (hereinafter referred to as “Stock Rights”) held as the result of technological research and development in accordance with the Principles for Management and Disposition Mechanisms of Scientific and Technological Research and Development Result Stock Rights, established by the Ministry of Science and Technology (MOST).
- II. The “technology stock rights” mentioned in the Guidelines refer to shares in for-profit enterprises that NTNU has obtained as the consideration of the income obtained by for-profit enterprises from the transfer of technology, due to the release, transfer or licensing of NTNU’s R&D results.
- III. Stock right disposition shall be exclusively handled by the Office of Research and Development. A management team shall be established for the review, management, and disposition of the Stock Rights held by NTNU. The team shall consist of the Vice President of the Office of Research and Development, the Associate Vice President of the Office of Research and Development, the Head of the Division of Research and Industry Liaison, and the Director of the Innovation & Incubation Center. Furthermore, one to two NTNU or external experts with relevant financial, IP valuation, or technological professional backgrounds will be invited to be part of the team on a per case basis.
- IV. The managing unit shall formulate stock right disposition plans, and conduct price and time valuations; if necessary, the unit shall entrust a professional third party to conduct stock valuation:
 - (I) Listed company stock right disposition plan: For securities that have been traded on a centralized securities exchange market or an OTC center, their disposition shall be at least determined with reference to the latest transaction value at the time of planning, and may be negotiated in consideration of their earnings per share, technology, and profitability.
 - (II) Non-listed company stock right disposition plan: Should at least include the subject to be sold, number of shares at floor price, and the time period.
- V. The review method of stock right disposition plans is divided into two stages: preliminary review and second review:

- (I) Preliminary review: The management team shall convene a meeting to perform a substantial review of the disposition plan, and to provide preliminary review opinions.
 - (II) Second review: Submit the preliminary review opinions to NTNU's Investment Management Team for second review.
- VI. Once the stock right disposition plan has passed the second review by NTNU's Investment Management Team, and has been approved by the President, the managing unit or the entrusted professional institution will carry out the stock right disposition, which will be handled in accordance with NTNU's relevant internal procedures depending on its nature. The managing unit shall properly keep the relevant documents on stock right disposition.
- VII. Stock right disposition management and related personnel shall follow NTNU's internal procedures, unless any violation of law is involved, to price stock right dispositions, and are exempted from the responsibilities of performing their duties and property book impairments arising from price changes after pricing.
- VIII. The part of the technology stock rights of R&D results that shall belong to the inventor may be agreed in writing in the licensing or transfer contract of the technology transfer that the parties may directly transfer the technology stock rights to the inventor. The relevant taxes and other expenses shall be borne by the inventor.
- IX. Matters not mentioned herein shall be handled in accordance with NTNU's applicable laws and regulations.
- X. The Guidelines have been passed by the NTNU Academic Fund Committee and implemented with the approval of the President. The same applies to all subsequent amendments.