

Intellectual Property Strategy

SCOPE

This document describes INSAT's IP Strategy (the **IP Strategy** or the **Strategy**). Defined terms are listed at the end of the document.

INTRODUCTION

Intellectual property is a strategic asset that enables organizations to meet their business objectives, and strategic protection of intellectual property enables organizations to secure competitive advantages. Inherent in this is the need to balance the demands of protecting IP and facilitating greater access to IP. INSAT's Strategy aims to incent and facilitate high-impact collaborations, ensure that Members can secure rights that are in line with their commercial interests and support Members, particularly SMEs, in accessing advice about IP and how IP can improve their competitiveness. With an emphasis on IP sharing from the outset of a Project, and with the ongoing assistance of INSAT, companies participating in INSAT's funding program are encouraged but not obliged, to adopt a broader IP sharing model. Through the implementation of INSAT's Strategy, Members will have a mechanism and resources available to them that can spur novel collaborative initiatives and enable dynamic improvements towards the next generation of sustainable aviation technologies to create value for Members and Canada's aerospace industry as a whole.

INTELLECTUAL PROPERTY STRATEGY

The Strategy describes at a high level INSAT's plans for managing IP and Data across Projects and other INSAT activities. In addition to the IP Strategy, there is a separate Data Strategy. The IP Strategy is consistent with the requirements set by INSAT's contribution agreement (the **CA**) with the Government of Canada. INSAT may establish more detailed IP or Data policies, toolkits (including checklists, best practice libraries, and use cases), and template agreements (**Related Documents**) that will be consistent with the IP Strategy. The IP Strategy and Related Documents are expected to be modified over time to reflect the evolution of best practices for managing IP and Data across INSAT.

1. Condition Precedent

An IP Strategy consistent with the CA is a precondition of disbursement of funds by the Government of Canada to INSAT.

2. Purpose and Implementation

The purpose of the Strategy is to promote the creation, use, commercialization, protection, and sharing of IP and Data and to foster innovation for Canada as a whole. Consistent with the CA, INSAT shall have dedicated resources including a Director of Intellectual Property who is responsible for management and compliance with this Strategy and assisting INSAT and its Members identify and maximize Project related IP opportunities.

3. INSAT Activities in Support of the IP Strategy

- (a) INSAT shall establish confidentiality terms that operate between all Members, and that facilitate (with protection of confidentiality) preliminary conversations regarding Projects and associated IP and Data.
- (b) On its platform, INSAT shall establish a directory that includes Member company profiles with a) company information, b) supply chain management strength, issues and capabilities, c) needs, d) project suggestions and e) contact information. This company profile directory will serve as a mechanism by which INSAT Members may identify collaboration opportunities.
- (c) In further support of broader IP sharing with INSAT Members, INSAT shall create and manage Member-accessible central information source that will include descriptions of material Foreground IP or Data Assets generated as part of Project Results that have been made available to INSAT by its Members (the **Registry**). The Registry will serve as a mechanism by which INSAT can disclose Intellectual Property related information, such as registered Intellectual Property Rights among Members. To create and maintain the Registry, INSAT shall from time to time request the following information from Members:

- (i) a written abstract or summary of Foreground IP or Data Assets generated as part of Project Results and any conditions, restrictions, or exceptions to their use. To ensure that the Registry does not disclose competitively sensitive information, INSAT will work closely with the rights holders of Foreground IP in a way that is consistent with legal best practices associated with protecting the form of Foreground IP in question. Information supplied through the Registry shall not include detailed proprietary information, commercially sensitive or competitive information, or trade secrets.
- (d) INSAT shall make reasonable efforts over time to leverage the Registry to encourage an IP and Data marketplace accessible to Members.
- (e) INSAT will maintain the Registry and shall conduct outcome monitoring to evaluate IP and Data progress and identify further IP and Data commercialization opportunities to maximize the return on investment for Members and Canada as a whole.
- (f) If requested by one or more Project Participants, INSAT will consult with them regarding protection, ownership, licensing, and commercialization of Background IP and Foreground IP.
- (g) INSAT will coordinate the diffusion of knowledge tools, education and best practices regarding IP sharing and commercialization including guidance for negotiating licenses to Foreground IP.
- (h) INSAT will assist in maximizing the benefits to Members of Foreground IP likely to arise in INSAT funded projects.
- (i) Through its communications, publications, interactions with Members and through other possible means that INSAT may identify, INSAT will be an advocate for IP creation, protection, commercialization and sharing, in a way that maximizes the return on investment in Foreground IP and spreads the benefits of Foreground IP while protecting the interests of rights holders.
- (j) INSAT will coordinate the collection of Project related IP information that INSAT is required to report to the Government of Canada under the CA including:
 - (i) the number of new IP applications developed by Project Participants as a result of participation in the Project and a description of such IP protection sought or obtained;
 - (ii) the number of licences executed in respect of each Project;
 - (iii) the number of publications in peer reviewed journals and conferences as a result of participation in the Project and a brief description of such publication.

- (k) INSAT shall verify Project proposals submitted to INSAT for compliance with INSAT’s “Project Selection Guidance Document” or equivalent. Project proposals shall include an outline of the respective contributions and Project activities of Project Participants as well as the IP rationale and related information that demonstrates how the proposed Project would maximize economic and innovation benefits to Canada and create IP and Data protection, commercialization and sharing opportunities. The IP rationale describes relevant Background IP and anticipated Foreground IP and is developed through a collaborative process among Project Participants. It serves to ensure that the Project team has considered how the proposed IP development, protection and commercialization strategy will support them in maximizing the value of investment into the technology. Project proposal templates have a section dedicated to the IP rationale noted above, ensuring that proposal teams present a strong strategy supporting the success of the Project and a plan to leverage Foreground IP in ways that strengthen the overall ecosystem. If requested by the Project proposal team, INSAT’s Director of Intellectual Property can offer guidance to the proposal team preparing the IP rationale.
- (l) All Projects are subject to a Master Project Agreement, and INSAT shall ensure that Projects comply with the Master Project Agreement, the IP Strategy, and the Project Selection Guidance Document. As is required under the CA, the Master Project Agreement shall set out project essential IP requirements and obligations that INSAT will make efforts to monitor, regarding the ownership, licensing, and exploitation of intellectual property and which shall include:
 - (i) A requirement that ownership and exploitation of the Eligible Project Intellectual Property will remain in Canada for a minimum of five (5) years after the end of the Master Project Agreement.
- (m) Following the signature of a Master Project Agreement, Project Participants must enter into a “Collaboration Agreement” or “IP Agreement” pursuant to the requirements of the Master Project Agreement. INSAT will be required to review and confirm that a binding written “Collaboration Agreement” or “IP Agreement” has been executed by all Project Participants addressing the ownership and licensing rights and obligations as between the Project Participants with respect to Eligible Project Intellectual Property and that it is in compliance with the Master Project Agreement and the Strategy.

4. Improving “Innovation Pull”

INSAT will make efforts to identify potential collaboration opportunities with Research Institute Members to increase visibility of IP or Data available to Members and streamline access for Members to IP and Data from Research Institute Members for research and/or commercialization purposes.

5. INSAT as facilitator not an IP owner

INSAT is a facilitator of collaboration and does not seek to hold IP as an asset for its profit.

6. Dispute resolution

Should a dispute arise in respect of IP and Data resulting from participation in the Project, including Project Participants ownership or rights to use, INSAT will, as an initial step, offer its support to resolve the dispute amicably. This support may consist of guidance with respect to questions regarding IP, input, or suggestions regarding possible resolutions to the dispute, and similar support. However, this support is intended to be supplementary, and is not intended to be comprehensive, binding, nor a replacement for the dispute resolution process contained in any relevant Master Project Agreement or other applicable agreement between the parties. Where such dispute resolution is not successful, the parties to the dispute will have recourse to the judicial system.

DEFINITIONS

IP or Intellectual Property means all inventions, whether or not patented or patentable, all proprietary technical information, whether or not constituting trade secrets, and all copyrightable works, industrial designs, integrated circuit topographies, and trademarks, whether or not registered or registrable.

Intellectual Property Rights or IPRs means all rights recognized by law in or to Intellectual Property, including but not limited to Intellectual Property rights protected through legislation. These shall include patents, copyrights, industrial design rights, integrated circuit topography rights, rights in trademarks and trade names, all rights in applications and registrations for any of the foregoing, and all rights in trade secrets and confidential information.

The terms **IP** and **IPRs** may be used as synonyms in a broad sense.

Data means data or information, whether structured or unstructured, in any format, including collected facts, compilations, statistics, intelligence, analytics, log data, social data, geodata, location data, chemical data, data generated by devices, transaction data, or personal information, and derivatives of any of these or derivative data.

Data Assets means a database, repository, data service, or other Data resource.

Project means a project undertaken by two or more Members that is approved under the INSAT funding program.

Project Participants means two or more Members participating in a Project.

Project Results means any inventions, technologies, software, systems, solutions, databases, data compilations, derivate data, data services, algorithms, models, products, platforms, or any Improvements to the foregoing, resulting from a Project.

Research Institution Member means a Member who is a university, academic institution, or research institute.

Background IP means IP developed prior to the beginning of a Project or otherwise developed independently of a Project, along with all Improvements thereof.

Foreground IP means any IP in Project Results, but expressly excluding Background IP.

Improvements means modifications, enhancements, improvements, or derivatives.

A **rights holder** means an owner or license holder.

Questions about the IP Strategy: The contact information for the INSAT Intellectual Property Management Team:

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