

# Implementation Measures for Chung Yuan Christian University's Spinoffs

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## Article 1. (Purpose)

To enhance the practical value and industrial application of our University's research achievements, extend professional knowledge and R&D technology to practical product development, encourage faculty, staff, and students to develop spin-off enterprises, and implement the spirit of "creativity, innovation, and entrepreneurship" in education, thereby enhancing the effectiveness of industry-academia cooperation, contributing to teaching, research, and society, and assisting in the technological development of industrial innovation, these measures are established.

## Article 2. (Applicable Scope)

The term "faculty, staff, and students" referred to in these measures includes full-time teachers, retired teachers, staff members, workers, current students, and alumni within five years of graduation from our University.

## Article 3. (Administrative Unit)

To handle related registration reviews, operational supervision, and significant decision-making of the University's spin-off enterprises, a "Spinoffs Development Committee" is established. The committee consists of nine to twelve members, with the Director of the Executive Office for Industry-Academia Cooperation serving as the convener. The Vice Director of the Executive Office for Industry-Academia Cooperation, Director of Research and Development, Director of General Affairs, Director of Extension Education, and Chief Accountant are ex officio members. The remaining members shall be appointed by the President as needed from technical, financial investment, business management, or legal experts within or outside the University. The term of office is one year and can be renewed.

The convener may form review subcommittees for individual cases and invite relevant personnel to attend.

## Article 4. (Definitions)

A spin-off enterprise of the University refers to a team organized by faculty, staff, and students of our University. It utilizes the University's research achievements and resources (including the use of space, equipment, labor, research and development technology, practical teaching, or industry-academia cooperation results, but excluding financial investment from the University) or the team contributes technology (labor) in exchange for shares, and the University acquires equity or dividends from the enterprise as a result. Such a team may apply to become a spin-off enterprise of our University.

## Article 5. (Focus of Review)

The review of University spin-off enterprises adopts a case-by-case review approach, with the following focus areas:

1. The business operations must align with the core values of our University's holistic education.

2. The innovation, leadership, and development potential of the technology or product.
3. Market competition, product promotion strategies, and business models.
4. Feasibility and adaptability of the operational plan.
5. The ambition and time commitment of the members of the management team.
6. Company expectations and vision, mechanisms for feedback to the University, financial and growth assessments for the next three years.
7. Comprehensive evaluation of the application case's needs.

Article 6. (Application procedure)

The application and review of University spin-off enterprises are coordinated by the Executive Operation Office of Industry-Academia Cooperation. The operational procedures are as follows:

Submission of Application: The Spinoffs enterprise submits a Spinoffs project application form.

Written Review: The Executive Operation Office of Industry-Academia Cooperation conducts a written review.

Initial Review: Depending on the nature of the case, an evaluation subcommittee consisting of internal and external experts is invited to conduct an initial review

Secondary Review: The results of the initial review by the evaluation subcommittee are submitted to the "Spinoffs Enterprise Development Committee" for a secondary review. The applicant shall attend to provide explanations and confirm the basic conditions of the overall authorization and other relevant matters.

Negotiation and Signing of the Chung Yuan Christian University Spinoffs Agreement.

If technology is used in exchange for shares in a spin-off enterprise, the "Implementation Rules for Technology Valuation of Research and Development Achievements at Chung Yuan Christian University" shall be followed.

Article 7. (Promotional Conditions)

The approved derivative enterprise applications shall enjoy the following promotional conditions:

The enterprise may apply to be stationed at the University's Industry Accelerator and Incubation Center, and during the first two years, they will receive a 50% discount on administrative support subsidies and partial maintenance fees for physical office spaces. The Industry Accelerator and Incubation Center will provide guidance and assistance in fundraising, entrepreneurial cultivation, and government loan applications, and priority will be given to submitting funding requests to the Full Persons CYCU Cultivation Investment Co., LTD.

Article 8. (Obligations of Feedback)

The derivative enterprise shall provide annual feedback of either 5% of profits, a certain percentage of revenue, or allocate at least 5% of its net capital to equity feedback to the University. The timing of equity registration shall be determined by the University.

If the derivative enterprise is established through the valuation of technology, the feedback methods and related matters shall be discussed and determined by the University through the "Derivative Enterprise Development Committee" based on the nature of each case.

Article 9. (Involvement of Faculty)

In cases where faculty members participate in or are permanently stationed in a derivative enterprise, the following arrangements may be made:

Participation: Applications must be reviewed and approved by the department or college council. Each faculty member may apply to reduce their teaching load by up to three

credit hours. In addition to paying for the reduced teaching load, the company should allocate at least NT\$120,000 per year to the University during the reduced teaching load period.

Permanent Stationing: Faculty members may apply for secondment according to the "Chung Yuan Christian University Full-time Faculty Secondment Regulations".

Article 10. (Company Established on Campus)

Subject to the principle of not affecting the use of space for teaching and research, Spinoffs established by faculty, students (including alumni), and teams may apply for company registration in campus-designated areas according to Article 2 of these regulations. The initial period is three years, with a maximum extension of two years.

The aforementioned Spinoffs should meet at least one of the following conditions:

Utilize the University's accumulated research and technological achievements for product development in the industry.

Assist in commercializing and transferring research results from the University to enhance research capabilities through industry-academic cooperation.

Emphasize the cultivation of practical abilities related to teaching outcomes for faculty and students, including research projects, theses, creative innovations, and entrepreneurship competitions.

Facilitate interactive relationships between the University and the industry, increase opportunities for practical teaching resources or internship training.

Article 11. (Establishment Timing and Fees)

Spinoffs applying for company registration on the University campus can proceed with registration after approval by the Ministry of Education.

If the application in the preceding paragraph fails to be approved or is subsequently revoked by the Ministry of Education, the relevant derivative taxes and fees shall be borne by the derivative enterprise itself.

The derivative enterprise shall handle administrative procedures for company registration and bear the related administrative fees or operational costs. The University will provide the necessary application documents in support.

Article 12. (Management, Examination, and Departure)

Spinoffs registered on the University campus shall follow the relevant regulations of the Small and Medium Enterprise Administration for management, examination, departure, and guidance in the University's Industry Accelerator and Incubation Center.

In the event of early termination or expiration of the lease agreement, the derivative enterprise shall vacate within one month after receiving the University's relocation notice or upon contract expiration, and complete the registration change of address.

The management of feedback from derivative enterprises shall comply with the "Implementation Plan for Feedback Management by Chung Yuan Christian University Executive Operation Office for Industry-Academia Cooperation".

Article 13. (Undersigned)

When Spinoffs engage in commercial activities using the University's or its affiliated units' names, logos, etc, they must obtain approval from the University and clearly specify the authorization method

Article 14. (Reference Matters)

Any matters not covered herein shall be implemented in accordance with other laws and CYCU's relevant regulations.

Article 15. (Passage and Amendments)

The Regulations are passed by the School Administration Council, and shall be promulgated and enforced by the President. The same shall apply where the Regulations are amended.