[Reference Examples of Bylaws of Research Consortium, Administrative Processing Rules, Accounting Rules, and Intellectual Property Rights Handling Rules (Translation)]

(Established by Contract and Intellectual Property Working Group on December 2, 2016)

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Bylaws of "××" Research Consortium of Field

for Knowledge Integration and Innovation (Translation)

Established on MM DD, 2016

**Only the Japanese version of this document shall be the original. If there is any difference between the Japanese and English versions, the Japanese version shall take precedence.**

Chapter 1 General Provisions

Article 1. Name

The name of this organization is "xx" Research Consortium (hereinafter referred to as the "Consortium").

Article 2. Office

The Consortium shall have its principal office in the following department to which the research representative specified in Article 15 of the Regulations for "xx" R&D Platform (hereinafter referred to as the "Platform Regulations") belongs.

×××× ××××

Article 3. Purpose

The purpose of the Consortium is to conduct research for the development of xx.

Article 4. Project

1. In order to achieve the purpose specified in the preceding article, the Consortium shall conduct operations related to the xx research project (hereinafter referred to as this "Research Project").

2. The allocation of duties involved in this Research Project among each member shall be as specified in the attached Research Implementation Plan.

Chapter 2 Members

Article 5. Members

The Consortium shall be organized by members of the "xx" R&D Platform specified in the Platform Regulations, who are not supporting members, and who agree with the purpose of Article 3 and cooperate actively with the project specified in the preceding article.

Article 6. Keeping of Documents and Books

The Consortium shall keep the documents and books listed in each of the following items at the office specified in Article 2:

1. these bylaws and the rules listed in each item of Article 18;
2. a document stating the names and addresses of the members (or if the member is an organization, its name and address and the name of the representative);
3. documentary evidence and books of revenue and expenditure; and
4. other documents and books based on rules listed in each item of Article 18.

2. If there is any change in the name or address of a member (the name and address and the name of the representative when the member is an organization), the member shall notify the representative body specified in Article 17 to that effect without delay.

Article 7. Restriction on Transfer of Position

A member may not transfer all or part of the rights and position held by the member in relation to this Research Project to a third party without the consent of all members.

Article 8. Admission

Any person who wishes to become a member of the Consortium shall submit an application for admission to the representative body to obtain the consent of all members.

Article 9. Withdrawal

The members may not withdraw from the Consortium until the completion of this Research Project. However, this shall not apply in the following cases:

1. in the event that all of the portions of this Research Project that are to be conducted by the member concerned are suspended or terminated;
2. in the case of a corporation, etc., where a decision on commencement of bankruptcy proceedings has been made;
3. in the case of an individual, where he/she has died;
4. in addition to the cases listed in the preceding items, in cases where the representative body finds that there is an unavoidable reason that requires withdrawal.

Article 10. Expulsion

1. If a member falls under any of the following items, the Consortium may expel after a resolution of the general meeting. In this case, the representative body shall notify the member concerned to that effect in writing at least thirty days before the date of the general meeting and give him/her an opportunity to explain himself/herself to the representative body:

1. when the member has committed an act that hinders the project of the Consortium or defames the Consortium; or
2. when the member has committed an act in disregard of these bylaws or a resolution of the general meeting.

2. When a resolution for expulsion of a member has been passed, the representative body shall notify the member concerned to that effect.

Chapter 3 General Meeting

Article 11. Holding of General Meeting

1. The general meeting of the Consortium shall be an ordinary general meeting or an extraordinary general meeting.

2. The general meeting shall be chaired by the research representative. In the event that the research representative is unable to perform his/her duties as a chairperson, a chairperson shall be elected by the members present at the general meeting from among themselves.

3. In addition to the members, the organizer of the xx R&D Platform may attend the general meeting.[[1]](#footnote-1)

4. The ordinary general meeting shall be held at least once each fiscal year.

5. The extraordinary general meeting shall be held in the following cases:

1. when one-half or more of the current members make a request in writing indicating the purpose of the meeting; or
2. other cases where the research representative deems it necessary.

Article 12. Convocation of General Meeting

1. Convocation of the general meeting shall be notified to the members and the organizer in writing at least seven days prior to the date of the meeting, stating the date, time, place, purpose and matters to be discussed.

2. When a request is made pursuant to Item i of Paragraph 5 of the preceding article, the research representative shall convoke the general meeting within thirty days from the date of the request.

Article 13. Method of Voting, etc. at General Meeting1

1. The general meeting shall be established by the attendance of a majority of all the members.

2. Each member shall have one voting right at the general meeting.

3. A resolution of the general meeting shall be adopted by a majority of the members present. However, for items iii to vi of the following article, resolutions shall be adopted by a majority of at least half of the members present and at least two-thirds of the voting rights of all the members.

4. At the general meeting, only matters notified in advance pursuant to Paragraph 1 of the preceding article may be voted on. However, this shall not apply to urgent matters.

Article 14. Powers of General Meeting

The general meeting shall vote on the matters listed in the following items in addition to those separately provided for in these bylaws:

1. establishment or revision of annual project implementation plan and revenue and expenditure budget;
2. annual project results report, annual project performance report and settlement of accounts;
3. changes to these bylaws;
4. establishment, revision and abolition of rules;
5. dissolution of the Consortium;
6. expulsion of members;
7. matters related to the implementation of this Research Project;
8. appointment of the accounting auditor; and
9. in addition to the matters listed in the preceding items, important matters related to the operation of the Consortium.

Article 15. Exercise of Voting Rights in Writing or by Proxy

1. Any member who is unable to attend the general meeting due to unavoidable reasons may exercise the voting right in writing or by proxy with respect to the matters notified in advance.

2. The voting in writing described in the preceding paragraph shall be invalid if it does not reach the research representative by the day before the date of the general meeting.

3. The proxy described in Paragraph 1 shall submit to the research representative a document proving the authority of representation.

4. With regard to the application of the provisions of Paragraph 1 of Article 13, those who have exercised their voting rights pursuant to Paragraph 1 of this article shall be deemed to have attended the general meeting.

Article 16. Minutes

1. Minutes shall be prepared for the proceedings of the general meeting.

2. Minutes shall contain at least the matters listed in the following items:

1. date, time and place of the general meeting;
2. the number of current members, the number of members who attended the general meeting, the number of members deemed to have attended the general meeting pursuant to Paragraph 4 of the preceding article and names of members who attended the meeting;
3. agenda items;
4. summary of the proceedings and the results thereof; and
5. matters related to appointment of a signatory of the minutes.

3. Minutes shall be signed and sealed by a signatory of the minutes who has been elected and appointed at the general meeting from among the chairperson and the members present at the general meeting.

4. Minutes shall be kept at the principal office.

Chapter 4 Representative Body

Article 17. Representative Body

1. For the purpose of executing the operations of the Consortium, xx, where the principal office specified in Article 2 is located, shall be its representative body.

2. The representative body shall perform the operations listed in the following article and, in executing the operations listed in each item of the same article, a responsible person shall be appointed for each operation.

Article 18. Execution of Operations

The methods of executing the operations of the Consortium shall be in accordance to the rules listed in the following items in addition to those specified in these bylaws:

1. Administrative Processing Rules for "xx" Research Consortium;
2. Accounting Rules for "xx" Research Consortium;
3. Intellectual Property Rights Handling Rules for "xx" Research Consortium; and
4. other rules decided at the general meeting.

Chapter 5 Accounting

Article 19. Business Year

The business year of the Consortium shall begin on April 1 of each year and end on March 31 of the following year. However, the first year when the Consortium is established shall begin on the date of the establishment of the Consortium and end on the first March 31 after the establishment date.

Article 20. Handling of Funds

The method of handling the funds of the Consortium shall be specified in the Accounting Rules for "xx" Research Consortium.

Article 21. Method, etc. of Payment of Administrative Expenses

Expenses required for the administrative work of the Consortium shall be covered by the project expenses related to this Research Project (expenses borne by the members).

Article 22. Expenses Borne by Members

Expenses related to activities of the Consortium shall, in principle, be borne by the members who have conducted the activities for which such expenses are incurred, except in special cases.

Article 23. Annual Project Implementation Plan and Revenue and Expenditure Budget

An annual project implementation plan and a revenue and expenditure budget for the Consortium shall be prepared by the representative body and approved by the general meeting.

Article 24. Accounting Auditor

1. The Consortium shall have an accounting auditor who conducts accounting audits.

2. One accounting auditor shall be appointed by a resolution of the general meeting from among the members other than the representative body.

3. The term of office of the accounting auditor shall be one year from the beginning to the end of the business year and reappointment shall not be precluded.

4. The accounting auditor shall audit the appropriateness and legality of the accounting of the Consortium and prepare an audit report on Items i and ii of Article 4 to report them to the general meeting.

Chapter 6 Liquidation

Article 25. Dissolution

The Consortium shall be dissolved in the following cases:

1. when the whole of this Research Project is completed;
2. when the resolution of dissolution is adopted at the general meeting; or
3. when the number of members becomes one.

Article 26. Liquidator

1. In the event that the Consortium is dissolved pursuant to the provisions of the preceding article, the person designated by the representative body (or the representative body if the representative body designates itself) shall be a liquidator.

2. The liquidator shall commence the liquidation proceedings promptly after the dissolution of the Consortium.

Article 27. Powers of Liquidator

The liquidator shall perform its duties with respect to the matters listed in the following items, having all judicial and extra-judicial authorities to represent the Consortium:

1. completion of pending affairs;
2. collection of debts and performance of obligations;
3. disposal of residual property; and
4. any other acts necessary for performing the duties specified in the preceding items.

Article 28. Liquidation Proceedings

1. The liquidator shall, without delay after assuming office, investigate the current status of the property of the Consortium, prepare an inventory of property and a balance sheet, specify the details of the disposition of property and send these documents to each member.

2. Any other matters relating to the liquidation shall be conducted in such manner as the liquidator deems appropriate in its sole discretion.

Article 29. Handling of Residual Property after Completion of Project

In the event that the whole of this Research Project is completed and if there is still any residual property even after the performance of obligations, the liquidator shall decide on the handling of such residual property after consultation with each member.

Chapter 7 Miscellaneous Provisions

Article 30. Confidentiality

The members shall handle confidential information that they handle for the execution of this Research Project in accordance with the provisions of the "Confidentiality Pledge" separately submitted to the Consortium.

Article 31. Report of Accident

If any accident that may affect the human body, such as loss or scattering of poisonous substances, occurs in this Research Project, the members shall immediately report the details of such accident to the representative body.

Article 32. Detailed Regulations

1. In addition to what is provided for in these bylaws, detailed regulations necessary for the operation or administrative work of the Consortium shall be separately determined by the representative body.

2. If any question arises regarding the contents, etc. of these bylaws, rules and detailed regulations, a decision shall be made in each case through consultation among the members.

Article 33. Implementation of Research Project Entrusted by National Government

1. When conducting research for a research project entrusted by the national government, the members shall, notwithstanding these bylaws and other rules, comply with the contract details provided for in the entrustment contract for the project in addition to what is provided for in the national regulations and rules pertaining to the project.

2. In the case referred to in the preceding paragraph, the representative body shall have the authority to conclude a contract with the national government, to claim and receive the cost of the entrustment in its own name and to request other members to submit performance reports on behalf of the Consortium regarding the implementation of the entrusted project.

Supplementary Provisions

Article 1. Enforcement

These bylaws shall come into force as of MM DD, 20xx.

Article 2. Inaugural Meeting

1. Prior to the establishment of the Consortium, an inaugural meeting shall be held by members who are members of the R&D Platform as specified in the Platform Regulations and who are scheduled to become members of the Consortium specified in Article 5 of these bylaws.

2. The inaugural meeting shall be chaired by the organizer of the xx R&D Platform.

3. Matters specified in the following items shall be deliberated and decided at the inaugural meeting:

1. establishment of these bylaws;
2. establishment of annual project implementation plan and revenue and expenditure budget; and
3. in addition to the matters listed in the preceding items, important matters related to the operation of the Consortium.

4. The inaugural meeting shall be established by the attendance of all members scheduled to become members of the Consortium as specified in Paragraph 1, and a resolution shall be passed by the unanimous approval of all those attending the meeting.

(Attachment 1)

\* List of Consortium Members

(As of MM DD, 2016)

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| --- | --- | --- | --- |
| No. | Name | Representative | Address/location |
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(Attachment 2)

**<For corporate members of Consortium)**

Dear xx, the Representative Body of "xx" Research Consortium,

Field for Knowledge Integration and Innovation

**Confidentiality Pledge**

○○○○○, a member of the "xx" Research Consortium of the Field for Knowledge Integration and Innovation (hereinafter referred to as the "Consortium"), makes a pledge (hereinafter referred to as this "Pledge") as described below regarding the confidentiality of information, etc. disclosed mutually between the members in the research project promoted based on the Bylaws of "xx" Research Consortium (hereinafter referred to as this "Research Project").

**Article 1. Definition**

1. The term "disclosing party" as used in this Pledge shall mean the party who discloses confidential information specified in the following paragraph through execution of this Project, and "receiving party" means the party who received the said confidential information.

2. The term "confidential information" as used in this Pledge shall be a collective term for all business and technical information, the contents of this Project, the execution process and the results thereof disclosed or obtained from other members through this Project, which falls under any of the following items:

1. when the disclosure method is by means of recording medium such as a document or a magnetic disk, information contained in the recording medium such as a document that is marked as "Confidential";
2. when the disclosure method is by means of communication such as FAX or e-mail or through the electronic network, or when information is provided by electromagnetic file, information that is marked as "Confidential" when such information is displayed or printed out;
3. in the case of an article such as a prototype or a sample, information on the article or its packaging or container that is marked as "Confidential"; or
4. in the case of disclosure by oral, visual or other intangible means, information for which a statement that information is "Confidential" is made at the time of disclosure, and that is documented within thirty days of disclosure and exchanged with the receiving party, indicating the date and time and the place of disclosure and that the information is "Confidential".

3. Notwithstanding the provisions of the preceding paragraph, information that can be proven to fall under any of the following items will be excluded from confidential information:

1. information that is publicly known or used at the time of disclosure or acquisition;
2. information that is already in your possession at the time of disclosure or acquisition;
3. information that becomes public knowledge or use through no fault of your own after disclosure or acquisition;
4. information that is lawfully obtained without obligation of confidentiality from a third party having legitimate authority; or
5. information that is independently developed or acquired without relying on confidential information after disclosure or acquisition.

4. The term "subsidiary" as used in this Pledge shall mean a company in Japan or overseas in which our company directly or indirectly owns more than 50 percent of the voting shares.

**Article 2. Confidentiality**

[Our company/organization] will strictly maintain confidential information as confidential and will not disclose or leak it to any third party (including members other than the disclosing party and the receiving party) without the prior written consent of the disclosing party.

[However, for the purpose of enhancing the effectiveness of the results of this Project, our company will disclose the minimum necessary confidential information to XXXXX, which is our parent company under the Companies Act, provided that XXXXX is subject to the same obligations as those of our company under this Pledge and assumes the full responsibility for any breach of such obligations.]

**Article 3. Prohibition of Use for Other Purposes**

[Our company/organization] will not use confidential information for any purpose other than the execution of this Project.

**Article 4. Management, etc. of Information**

1. [Our company/organization] will strictly and properly manage all information media, samples, etc. containing confidential information.

2. [Our company/organization] will disclose confidential information only to its officers, employees, staff members, etc. (including temporary staff and other persons who perform their tasks under its directions and orders. The same shall apply hereinafter.) who need to know such information in the course of executing this Project. [Our company/organization] will make such officers, employees, staff members, etc. assume the same obligations as those to be assumed by [our company/organization] under this Pledge, will not exempt them from such obligations, and assume the full responsibility for any breach of such obligations.

3. Notwithstanding the provisions of Article 2, our company may disclose confidential information to our subsidiaries, provided that obligations equivalent to those assumed by our company are imposed on the subsidiaries.

**Article 5. Prohibition of Reproduction, etc.**

1. [Our company/organization] will not reproduce or copy confidential information in excess of the minimum number of copies necessary to execute this Project. Such reproductions and copies will be treated as confidential information.

2. [Our company/organization] will not analyze or reverse-engineer samples, etc. that are confidential information without the prior written consent of the disclosing party.

**Article 6. Return, etc. of Information**

Upon request of the Platform or the disclosing party or after the completion of this Project, [our company/organization] will return information media (including their reproductions and copies), samples, etc. containing confidential information disclosed or provided by the disclosing party to the disclosing party, or destroy or erase them in a manner that is physically impossible to restore them without delay in accordance with instructions of the Platform or the disclosing party.

**Article 7. Report of Accident**

If there is a risk of an accident of leakage of confidential information or use of it for other purposes, or in the event that such an accident occurs, [our company/organization] will immediately report it to the Platform and cooperate with the Platform to deal with it.

**Article 8. Compensation for Damage**

In the event that [our company/organization] breaches this Pledge and causes damage to the Platform and/or the disclosing party, [our company/organization] will compensate the Platform and/or the disclosing party for such damage.

**Article 9. No Warranty**

1. [Our company/organization] understands that nothing in this Pledge shall obligate the executive members and the regular members to disclose any confidential information to each other.

2. Except as expressly provided in this Pledge, [our company/organization] does not grant any rights to the receiving party with respect to the confidential information under this Pledge, and does not oblige the receiving party to enter into any further agreements.

3. [Our company/organization] understands that there are no express or implied warranties of accuracy, benefit, fitness for any particular purpose, or any other matters with respect to the confidential information disclosed.

**Article 10. Prohibition of Assignment, etc. of Rights and Obligations**

[Our company/organization] will not assign to any third party, give as security, or succeed to the rights and obligations arising from this Pledge, in whole or part, without the prior written consent of the Platform.

**Article 11. Term of Validity**

1. This Pledge shall remain in effect from the date of submission of this Pledge until the dissolution of the Platform, regardless of whether [our company/organization] has lost its membership as the executive member or the regular member before the dissolution of the Platform.

2. Even after the expiration of the term of validity specified in the preceding paragraph, the provisions of Articles 2 through 5 shall remain in effect for another three years, and the provisions of Articles 6 through 9 shall remain in effect until each reason subject to this Pledge cease to exist.

**Article 12. Consultation**

I will follow the decisions of the individual consultations conducted through the Platform or the deliberations, etc. of the Organizer Team Meeting regarding matters not covered by this Pledge or matters of which interpretation is questionable.

[Our company/organization] hereby pledges the foregoing. A sealed copy of this Pledge will be submitted to the Platform and [our company/organization] will keep a copy of it.

Date:

[Address]

[Company name]

[Position]

[Name] Seal

(Attachment 3)

Dear xx, the Representative Body of "xx" Research Consortium,

Field for Knowledge Integration and Innovation

**Application for Admission**

(I/Our corporation/Our organization),  pledge/pledges that I/we will comply with the bylaws, etc. of the "xx" Research Consortium of the Field for Knowledge Integration and Innovation (hereinafter referred to as the "Consortium") and cooperate actively with the project operation of the Consortium with an understanding to its objective and purpose, and hereby apply/applies for admission to the Consortium.

Date:

[Address]

[Corporate/organization name]

[Position]

[Name] Seal

(Exhibit)

Research Implementation Plan

1. Research Content

(1) Name of research program

(2) Purpose and outline of research program

1) Purpose

2) Outline

(3) Main location of research implementation

(4) Date of initiation and completion of research

Date of initiation: MM DD 20xx

Date of completion: MM DD 20xx

(5) Name of research representative and organization to which he/she belongs

2. Revenue and Expenditure Budget, etc. for the Fiscal Year of 20xx

(1) Revenue and expenditure budget

Revenue

|  |  |  |
| --- | --- | --- |
| Classification | Budget amount | Remarks |
| Research expenses | yen | Including consumption tax of yen.  (Breakdown)  Amount paid by Company A: yen  Amount paid by Company B: yen |

Expenditure

|  |  |  |
| --- | --- | --- |
| Classification | Budget amount | Remarks |
| Direct expenses  General administrative expenses  Amount equal to consumption tax  Total | yen | Personnel expenses: yen  Rewards: yen  Travel expenses: yen  Experiment and research expenses:  yen  Within 15% of experiment and research expenses  Consumption tax, etc. on non-taxable, untaxed and tax-exempt transactions |

(2) Article purchase plan

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| Name of article | Standard | Quantity | Purchase schedule | | Intended use | Remarks |
| Unit price | Amount |
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(2) Research program by the member

|  |  |  |  |
| --- | --- | --- | --- |
| i.) Name of research in charge | ii.) Member name | | iii.) Content and expenses of research by the member |
|  | Address |  | Research expenses: yen |
| Name |  |
|  | Address |  | Research expenses: yen |
| Name |  |
|  | Address |  | Research expenses: yen |
| Name |  |

Administrative Processing Rules for "xx" Research Consortium (Translation)

Date of establishment: MM DD 20xx

**Only the Japanese version of this document shall be the original. If there is any difference between the Japanese and English versions, the Japanese version shall take precedence.**

Chapter 1 General Provisions

Article 1. Objective

The administrative processing work for the "xx" Research Consortium (hereinafter referred to as the "Consortium") shall be governed by these administrative processing rules in addition to the provisions of the Bylaws of "xx" Research Consortium (hereinafter referred to as the "Consortium Bylaws").

Article 2. Purpose

The purpose of these rules is to provide for necessary matters concerning handling of administrative work at the Consortium and to conduct administrative processing appropriately and efficiently.

Article 3. Principle of Administrative Processing

In processing the administrative work for the Consortium, efforts shall be made to ensure prompt and accurate processing, to respect confidentiality, to ensure that there are no omissions in communications between the parties concerned, and to clarify where responsibility lies.

Article 4. Responsible Person for Administrative Processing

1. The administrative processing for the Consortium shall be conducted by a person in charge of administrative processing (hereinafter referred to as the "Responsible Person for Administrative Processing") who is appointed at the representative body prescribed in the Consortium Bylaws (hereinafter referred to as the "Representative Body").

2. The Responsible Person for Administrative Processing specified in the preceding paragraph may serve concurrently as the responsible person for accounting prescribed in the Accounting Rules for the Consortium.

Article 5. Implementation of this Research Project

1. The members shall implement the part of this Research Project that they are supposed to implement (hereinafter referred to as the "Member Implementation Part") in accordance with the annual project implementation plan prescribed in the Consortium Bylaws (hereinafter referred to as the "Annual Project Implementation Plan"). The same shall apply when the said plan has been changed.

2. The members shall submit a performance report describing the results of the project to the Representative Body when the Member Implementation Part is completed (including when the project is suspended or abolished).

3. When the Representative Body receives the performance report prescribed in the preceding paragraph, it shall inspect without delay whether the contents of the project concerned conform to the contents of the Annual Project Implementation Plan. If necessary, the Representative Body shall request the members concerned to submit other relevant documents or conduct an on-site inspection.

4. When the Representative Body finds, as a result of the inspection prescribed in the preceding paragraph, that the contents of the project implemented by the members conform to the contents of the Annual Project Implementation Plan, it shall fix the amount of the expenses of the project implemented by the members and notify the members of it.

5. In the event that it becomes difficult for the members to execute the Member Implementation Part due to a natural disaster or other unavoidable reasons, the members shall submit an application for suspension of the project to the Representative Body and change the Annual Project Implementation Plan for this Research Project after consultation with the Representative Body.

6. Except as prescribed in the preceding paragraph, when the members intend to change the contents of the Member Implementation Part or the breakdown of the expenses, the members shall submit an application for approval of change of the project implementation plan to the Representative Body to obtain its approval.

Chapter 2 Handling of Documents

Article 6. Principles of Processing and Handling of Documents

1. All administrative processing for the Consortium shall be done in writing, except for minor matters.

2. Documents shall be bound together from the beginning to the completion of the case. If this is not possible, measures such as clarifying the locations of each relevant document shall be taken.

Article 7. In handling documents, efforts shall be made to ensure prompt and accurate handling, to respect confidentiality, to ensure that there are no omissions in communications between the parties concerned and, in cases where these documents are retained, to clarify their locations at all times.

Article 8. Person who Issues Documents in His/her Name

A person who issues documents in his/her name shall be ○○○ who belongs to the Representative Body and has been appointed by the head of the Representative Body. However, this shall not apply to minor documents such as administrative communication documents.

Article 9. Book Concerning Documents

The Responsible Person for Administrative Processing shall prepare a document arrangement book describing the subject of document, sender, document number, date of receipt, date of registration and other necessary matters and keep it in the office.

Article 10. Period of Retention

Documents shall be retained from the completion of the administrative processing and shall be retained for five years from April 1 of the fiscal year following the year in which this Research Project is completed.

Article 11. Disposal of Documents

1. Documents whose retention period has expired shall be deleted from the document arrangement book specified in Article 9 and disposed of. However, those still required to be retained even after the expiration of the period of retention may be retained under the management of the Person Responsible for Administrative Processing if a statement to that effect is entered in the said document arrangement book.

2. When documents containing personal information is disposed of as described in the preceding paragraph, such documents shall be disposed of by shredding, incineration or other unrestorable methods.

Chapter 3 Miscellaneous Provisions

Article 12. In addition to what is provided for in Article 1, matters necessary for the implementation of these rules shall be determined by the Representative Body.

Supplementary Provisions

These rules shall come into force as of MM DD, 2016.

Accounting Rules for "xx" Research Consortium (Translation)

Established on MM DD, 2016

**Only the Japanese version of this document shall be the original. If there is any difference between the Japanese and English versions, the Japanese version shall take precedence.**

Chapter 1 General Provisions

Article 1. Objective

The accounting work for the "xx" Research Consortium (hereinafter referred to as the "Consortium") shall be governed by these accounting rules in addition to the provisions of the Bylaws of "xx" Research Consortium (hereinafter referred to as the "Consortium Bylaws").

Article 2. Purpose

The purpose of these rules is to establish standards for the accounting of the Consortium to ensure the proper and efficient operation of the Consortium's business and the proper implementation of the budget.

Article 3. Accounting Principles

The accounting of the Consortium shall conform to the principles listed in the following items:

1. the true content of the accounting of the Consortium is to be made clear;
2. accurate bookkeeping is to be ensured for all transactions;
3. the accounting methods and procedures are not to be changed without good reason.

Article 4. Opening of an Account

The Consortium shall open a management account of a bank in its name.

(\*It is also possible to use an existing management account held in the name of the representative body. In such a case, these rules shall provide that, for example, "The account of the Consortium shall be the management account of ○○.")

Article 5. Fiscal Year

1. The fiscal year of the Consortium shall be in accordance with the business year set forth in the Consortium Bylaws.

2. The receipts and disbursements of the Consortium shall be closed on April 30 of the following year.

Article 6. Responsible Person for Receipts and Disbursements

The responsible person for receipts and disbursements shall be ○○ of the representative body prescribed in the Consortium Bylaws (hereinafter referred to as the "Representative Body") who has been appointed by the head of the Representative Body.

Article 7. Responsible Person for Accounting

1. The accounting for the Consortium shall be conducted by a person in charge of accounting (hereinafter referred to as the "Responsible Person for Accounting) who is appointed at the Representative Body.

2. The Responsible Person for Accounting specified in the preceding paragraph may serve concurrently as the responsible person for administrative processing prescribed in the Administrative Processing Rules for "xx" Research Consortium (herein referred to as the "Administrative Processing Rules).

Chapter 2 Books

Article 8. Book

The Responsible Person for Accounting shall prepare a book describing the name of article, standard, price, other party to the contract, contract date, delivery date and payment date, and shall keep it at the principal office specified in the Consortium Bylaws.

Article 9. Accounting Slip

1. Bookkeeping for all transactions shall be done by means of accounting slips.

2. Accounting slips shall be those listed in the following items, and their forms shall be determined separately by the Representative Body:

1. receipt slip;
2. payment slip; and
3. transfer slip.

3. An accounting slip shall be prepared based on a voucher and retained with it.

4. An accounting slip shall be sealed by the person who prepared it and receive an approval seal of the Responsible Person for Accounting.

Article 10. Preservation and Disposal of Books and Documents

1. The preservation periods of accounting books, accounting slips and other accounting-related documents shall be in accordance with the provisions of the Administrative Processing Rules.

2. When accounting-related documents specified in the preceding paragraph are to be disposed of, instructions or approval of the Responsible Person for Accounting shall be obtained in advance.

3. When accounting-related documents containing personal information are to be disposed of as described in the preceding paragraph, such documents shall be disposed of by cutting, incineration or other unrestorable methods.

Article 11. Update of Book

The books shall, in principle, be updated every business year.

Chapter 3 Budget

Article 12. Purpose of Budget

The purpose of the budget is to reasonably control revenue and expenditure by presenting business activities in the business year with specific figures, and to ensure the smooth and proper operation of the business.

Article 13. Use of Budget for Other Purposes

The budget shall not be used for any purpose other than that specified.

Article 14. Execution of Budget

1. The execution of the budget required for the affairs relating to the operation of the Consortium shall be subject to an approval of the Responsible Person for Accounting.

2. The execution of the budget required for the part that is to be implemented by a member involved in this research project shall be subject to an approval in accordance with the internal rules of the said member.

Chapter 4 Receipts and Disbursements

Article 15. Clarification of Receipts and Disbursements of Money

1. The person who is in charge of the affairs of receipts and disbursements shall conduct the receipt, disbursement and deposit of money strictly and reliably, record such affairs, and always clarify the balance of money.

2. Receipts and disbursements of money shall be made by means of accounting slips.

Article 16. Method of Payment

1. When the person in charge of the affairs of receipts and disbursements makes a monetary payment, such payment shall be made after obtaining the approval of the responsible person for receipts and disbursements based on a bill from the final recipient or other documents evidencing the transaction.

2. Payment shall be made by transfer to a financial institution. However, this shall not apply to petty payment or other payments recognized by the responsible person for receipts and disbursements as being difficult to make in this manner.

Article 17. Collection of Receipts

1. With regard to the payment of money, receipts of the final recipients shall be collected. However, in the case where it is difficult to collect a receipt, a certificate of payment specified separately may be substituted for the receipt.

2. When a payment is made by means of transfer to a financial institution, a receipt of the transfer money issued by the financial institution handling the payment may be substituted for the receipt from the payee.

Article 18. Excess or Deficiency of Money

The person in charge of the affairs of receipts and disbursements shall, in principle, check the balance of deposits and savings against the book balance at least once a month using a document that can prove the balance of deposits and savings, and, when there is an excess or deficiency of money, report it to the Responsible Person for Accounting specified in Paragraph 1 of Article 7 without delay to receive instructions from him/her.

Chapter 5 Articles

Article 19. Article Management Ledger

In managing articles (machines and equipment, etc. of 100,000 yen or more) acquired through this research project, the Consortium shall keep an article management ledger as shown in the attachment and record the details of each change, increase or decrease due to acquisition, use, transfer, disposal, etc. of the articles to clearly understand the current situation.

Article 20. Duty of Care of a Good Manager for Articles

With respect to the management of the articles acquired for this research project, the Consortium shall take responsibility for practicing good management of such articles and take all possible measures for their maintenance.

Article 21. Labeling of Articles

Labeling of articles shall be done using the following nameplate for management.

|  |  |
| --- | --- |
| Article Label | |
| Project name | xx Research Project |
| Consortium name |  |
| Article name |  |
| Article number |  |
| Date of acquisition |  |
| Remarks | △△ Institution,  ×× Research Laboratory |

Chapter 6 Settlement of Accounts

Article 22. Purpose of Settlement of Accounts

The purpose of the settlement of accounts is to clarify the financial condition at the end of each business year, as well as to organize the accounting records for each business year and calculate the revenue and expenditure for the relevant period.

Article 23. Preparation of Financial Statements

The Responsible Person for Accounting shall make arrangements necessary for the annual settlement of accounts promptly after the end of the business year, prepare financial statements of the following items, and report them to the Representative Body:

1. statement of revenue and expenses; and
2. inventory of property.

Article 24. Finalization of annual settlement of accounts

The Representative Body shall submit the financial statements specified in the preceding article to the general meeting, and finalize the annual settlement of accounts upon its approval.

Chapter 7 Miscellaneous Provisions

Article 25. In addition to what is provided for in Article 1, matters necessary for the implementation of these rules shall be determined by the Representative Body.

Supplementary Provisions

These rules shall come into force as of MM DD, 20xx.

Article Management Ledger

Item (unit)

|  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Date | Classifi-cation | Summary | Amount changed | | | | Amount on hand | | Service life | Installation location | Remarks |
| Increase | | Decrease | | Qty | Price |
| Qty | Price | Qty | Price |
|  |  |  |  | yen |  | yen |  | yen |  |  |  |

(Note) (1) Separate sheets shall be used for each item.

(2) Purchase, etc. shall be entered in the classification column.

Intellectual Property Rights Handling Rules for "xx" Research Consortium (Translation)

Established on MM DD, 2016

**Only the Japanese version of this document shall be the original. If there is any difference between the Japanese and English versions, the Japanese version shall take precedence.**

Article 1. Purpose

The purpose of these rules is to promote active research and development and to clarify the ownership of the intellectual property rights and the application procedures, etc. by stipulating matters necessary for handling, etc. of intellectual property rights that arise through the implementation of the xx research project (hereinafter referred to as this "Research Project") by the "xx" Research Consortium (hereinafter referred to as the "Consortium") based on the provisions of the Bylaws of Research Consortium.

Article 2. Definition

The term "intellectual property rights" as used in these rules shall mean the rights listed in the following items. These rights may include similar rights acquired or arising not only in Japan but also outside Japan:

1. the right to obtain a patent or the patent right based on such right;
2. the right to obtain a utility model registration or the utility model right based on such right;
3. the right to obtain a design registration or the design right based on such right;
4. the right to obtain a registration of establishment of layout-design exploitation right or the layout-design exploitation right;
5. the status of obtaining a registration of variety or the breeder's right;
6. copyright (including the rights stipulated in Articles 27 and 28 the Copyright Act (Act No. 48 of 1970)); and
7. technical and business information useful for business activities, which is managed as a secret and not publicly known, and which pertains to rights protected under the Unfair Competition Prevention Act (Act No. 47 of 1993).

Article 3. Ownership

An intellectual property right arising through the implementation of this Research Project (hereinafter referred to as "Foreground IP") shall belong to the member who conducted the research relating to the emergence of such Foreground IP. In addition, Foreground IP arising through joint research among the members shall be shared by the members who participated in the said joint research, and the share of the Foreground IP shall, in principle, be determined in accordance with the degree of contribution to the said joint research through consultation among these members. However, even a member who has not been involved in the said joint research may share the Foreground IP by accepting the partial transfer of such Foreground IP if the member has contributed to the said joint research by providing research funds, etc. and if the consent of other members has been obtained.

Article 4. Application

1. Application or filing for a Foreground IP (hereinafter referred to as "application, etc.") shall be made by the member who owns the Foreground IP, and the cost required for such application shall also be borne by the member.

2. For Foreground IP to be applied as described in the preceding paragraph, which arises through joint research among the members, the application, etc. shall be made according to the decision made through consultation among the members who share such Foreground IP (hereinafter referred to as "Foreground IP Sharing Member"), and the cost required for such application, etc. shall, in principle, be borne by each member according to the ratio of the share of the Foreground IP. However, any Foreground IP Sharing Member who grants a license by himself/herself pursuant to the provisions of Article 9 shall bear the above-mentioned cost during the execution period.

3. In the case where application, etc. for Foreground IP is made pursuant to Paragraphs 1 and 2, it shall be reported without delay to the representative body prescribed in the Consortium Bylaws (hereinafter referred to as the "Representative Body") by the prescribed notification of patent right, etc. or notification of copyrighted work, respectively.

Article 5. Maintenance

The provisions of the preceding article shall be applied mutatis mutandis to the procedures for the maintenance of the Foreground IP and the cost required for such maintenance.

Article 6. Transfer of Share

1. When a Foreground IP Sharing Member intends to transfer all or part of his/her share to a third party other than the other Foreground IP Sharing Members, he/she shall obtain the written consent of all the other Foreground IP Sharing Members in advance.

2. The Foreground IP Sharing Member who is the transferor shall, if the consent of all the other Foreground IP Sharing Members in accordance with the preceding paragraph is obtained, have the transferee succeed to the rights and obligations pertaining to his/her share, and shall notify all the other Foreground IP Sharing Members and the Representative Body thereof in writing. When the transferee fails to perform the rights and obligations arising from the transfer, the transferor shall be jointly and severally liable with the transferee.

Article 7. Licensing to Other Members

1. The members shall disclose to each other the intellectual property rights that they owned prior to the implementation of this Research Project and the intellectual property rights that they acquired after the implementation of this Research Project without any relation to the implementation of this Research Project (hereinafter referred to as "Background IP") to the extent related to the implementation of this Research Project, and shall not exercise the Background IP for research and development activities within this Research Project by the other members during the implementation period of this Research Project, and shall, in principle, strive to smoothly execute this Research Project. However, agreements such as licensing for a fee among the members of this Research Project may be separately made.

2. When a member intends to commercialize the results of this Research Project using the Foreground IP, the other members shall, in principle, license the Background IP owned by them to the extent necessary for the commercialization.

[Draft 1: However, with regard to the Background IP, if it is expected that licensing of the Background IP will affect the business activities of the holder of the Background IP, exceptions may be made to the extent necessary based on the agreement among the members of this Research Project after consultation with other members at the start of this Research Project.]

[Draft 2: However, with regard to the Background IP, if it is expected that licensing of the Background IP will affect the business activities of the holder of the Background IP, such licensing may be refused, and exceptions may be made to the extent necessary based on the agreement among the members of this Research Project after consultation with other members at the start of this Research Project.]

Article 8. Licensing to Third Parties

1. If a third party other than a member who has the right to the Foreground IP wishes to obtain a license for the Foreground IP, the said member shall accept the application for the license.

2. With respect to Foreground IP to be applied as described in the preceding paragraph, which arises through joint research among the members, if a third party other than Foreground IP Sharing Members wishes to obtain a license for such Foreground IP, a predetermined member among the Foreground IP Sharing Members shall accept the application for the license. In this case, the Foreground IP Sharing Member who has received the application shall notify all the other Foreground IP Sharing Members to that effect, and whether or not to grant the license and the conditions thereof shall be decided after discussion by all the Foreground IP Sharing Members.

3. With respect to the license fee to be collected upon granting the license as described in Paragraph 1, the member who has the right to the Foreground IP concerned shall have the right to receive the license fee. With respect to the license fee to be collected upon granting the license as described in Paragraph 2, all the Foreground IP Sharing Members shall have the right to receive the license fee. The allocation of the license fee shall, in principle, be in accordance with the ratio of the share, and the details shall be discussed and determined among the Foreground IP Sharing Members.

Article 9. Self-licensing

With respect to Foreground IP arising from joint research among the members, when each of the Foreground IP Sharing Members intends to grant a license for the Foreground IP by himself/herself (including cases where the Member allows a third party to grant such license through outsourcing of manufacturing to the third party), the member who intends to do so shall conclude, in their joint names, an agreement with other Foreground IP Sharing Members other than the said member, stipulating whether or not to pay compensation, etc.

Article 10. Licensing by Subsidiary

With respect to Foreground IP arising from joint research among the members, its licensing by subsidiaries of the Foreground IP Sharing Members shall be regarded as self-licensing as defined in the preceding article, and the provisions of the preceding article shall apply mutatis mutandis. Subsidiaries in this article shall mean companies in Japan and overseas in which the Foreground IP Sharing Members directly or indirectly own more than 50 percent of the voting shares.

Article 11. Relinquishment of Share

1. When a Foreground IP Sharing Member intends to relinquish his/her share, he/she shall notify the other Foreground IP Sharing Members thereof in writing in advance.

2. In the case where a Foreground IP Sharing Member relinquishes his/her share pursuant to the preceding paragraph, such share shall, in principle, be succeeded to by the other Foreground IP Sharing Members without compensation according to the ratio of the share.

Article 12. Handling of Intellectual Property Rights Associated with Withdrawal or Expulsion

In the event of withdrawal or expulsion of a member pursuant to the provisions of Articles 9 and 10 of the Consortium Bylaws, such member shall relinquish his/her share of the Foreground IP arising from joint research among the members, and, in principle, the other Foreground IP Sharing Members shall succeed to his/her share without compensation according to the ratio of the share.

Article 13. Compensation for Invention Related to Joint Research

Each Foreground IP Sharing Member shall compensate its employees who have contributed to the research related to the generation of the Foreground IP, and such compensation shall be provided only to the employees who belong to the Member.

Article 14. Conclusion of Joint Application Agreement

When the Foreground IP Sharing Members jointly make an application specified in Paragraph 2 of Article 4, a joint application agreement that includes the contents of Article 3 through the preceding article shall be concluded between the Foreground IP Sharing Members in advance.

Article 15. Publication of Results

1. Notwithstanding the provisions of the preceding article, when a member intends to publish his/her research results containing confidential information for which he/she has a confidentiality obligation based on the "Confidentiality Pledge" which he/she has separately submitted to the Consortium in accordance with Article 30 of the Consortium Bylaws, the member shall, no later than 90 days prior to such publication, send the details of the publication in writing to the other member who has disclosed the said confidential information and the Representative Body and obtain the written consent of the other member who has disclosed the said confidential information.

2. The other member who has disclosed the said confidential information that he/she believes that the publication of the research results containing the contents of the preceding paragraph will harm or is likely to harm his/her interests shall, within 60 days after receipt of the said details in writing, send a document clarifying the contents that will harm or is likely to harm his/her interests and the reasons therefor to the member who wishes to publish the said research results and the Representative Body.

3. The Representative Body shall consider reasonable measures for the publication of the research results with the member who wishes to publish the said research results and the other member who has disclosed the said confidential information.

Article 16. Term of Validity

These rules shall be valid for ○ years after the dissolution of the Consortium as prescribed in Article 25 of the Consortium Bylaws.

Article 17. In addition to the provisions of the Consortium Bylaws and these rules concerning this Research Project, matters necessary for the implementation of these rules shall be determined by the Representative Body.

Supplementary Provisions

These rules shall come into force as of MM DD, 20xx.

1. Attendance may be mandatory depending on the characteristics of the R&D Platform. [↑](#footnote-ref-1)