



*This document is a translation of the original Decree n.140392(901) of 06/08/2019 drafted in Italian, which is the only one holding legal value. The following is only a translation designed to simplify the understanding for all those who have greater familiarity with the English language.*

**Decree n. 140392 (901)**

**Year 2019**

## **REGULATIONS OF THE UNIVERSITY OF FLORENCE SPIN-OFFS**

### **Article 1**

#### **Definition of university Spin-off**

1. The University of Florence (hereafter University), in accordance with the general principles of its Statute, promotes the transfer of the knowledge acquired in the framework of institutional research through the establishment of companies or participation in companies established less than 5 years prior, as required by the legislation in force, in any case having as its purpose the economic and entrepreneurial use, in innovative contexts, of the results of the University research and the development of new products and services.
2. “Participated Spin-offs” or “University Spin-offs”, are defined by the University as the companies referred to in paragraph 1, set up as a joint-stock company or limited liability company to which the University participates as a member or shareholder.
3. “Spin-offs approved” or “Academic spin-offs” are defined by the University as the companies referred to in paragraph 1 to which the University does not participate as a member/shareholder, but are established as a joint-stock company, a limited liability company or a cooperative on the initiative of the University or university staff or involving university staff, i.e. university professors or researchers, doctoral students or research grant holders. According to the art. 2 of DM 168/2011, the participation of university staff can take place both in terms of capital participation and in terms of direct commitment to the achievement of the corporate purpose, offering the new legal entity the use of know-how and skills generated in a research context. The University may make resources and/or services available to facilitate the start-up or acceleration of the development of these companies and the amount payable to the University for such services will be defined at the time of recognition of the Spin-off.

### **Article 2**

#### **Proposing members/shareholders and participating members/shareholders**



1. The proposal for the recognition of an academic spin-off is presented by at least one university professor or researcher or doctoral student or research grant holder. Without prejudice to the need for the signature of at least one of the parties indicated above, the proposal may also be put forward by staff who retired no more than two years prior or by other personnel pursuant to art. 18, paragraph 5, of law 240/2010, or by professors or researchers of other universities, postgraduate students, contract professors and permanent administrative-technical staff of the University, provided they possess specific competences in the field of research. The proponent who does not hold the status of member must hold the role of Scientific Adviser/Scientific Consultant within the Spin-off in order to guarantee the performance of the institutional research activity, the technical activity and the use of the outcomes of the research. However, the presence of at least one member belonging to one of the categories referred to in the first sentence of this paragraph must always be guaranteed.
2. The proposal for the recognition of a participated Spin-off can be presented exclusively by members/shareholders who are employees of the University of Florence.
3. The participation of the proposing members/shareholder in the capital of the Spin-off constitutes for the University a guarantee for the success of the initiative, for the achievement of the set objectives and for the safeguarding of the participation of the University itself.
4. In addition to the proponents, natural or legal persons inside or outside the University of Florence, belonging to the world of business, professions, finance and institutions may also become members/shareholder of the academic or participated Spin-off.
5. In the case of a participated spin-off, the external shareholders must be identified through a public disclosure procedure previously authorized by the Board of Directors.
6. For the purposes of selecting external shareholders, the proposer submits the request to the Board of Directors to initiate the appropriate procedure, attaching:
  - a) a document describing the products/services that the Spin-off intends to offer to the market, highlighting their innovative character and their derivation from the results of the scientific research carried out by the proposer; the desired composition of the share capital in terms of nominal value and investment, divided between proponents, University and external Members/shareholders; the competences and the scope of operations of the external Members/shareholders;
  - b) the opinion of the Department Council.
7. The Board of Directors, having evaluated the request referred to in paragraph 6, deliberates on the start of the procedure, involving the relevant offices.



8. Holders of research grants and doctoral students can carry out free or paid activities in favour of the Spin-off/Startup if authorized, respectively, by the Department Council or by the Doctoral School Committee, subject to the opinion of the professor in charge.

### **Article 3**

#### **Participation of the University**

1. The extent of the University's participation in a participated Spin-off varies from a minimum of 5% to a maximum of 15% of the share capital and is approved by the University Board of Directors, having heard the opinion of CsaVRI (Scientific Council of the University Services Centre for the promotion of research and the management of the University Incubator). The participation has a maximum duration of five years.
2. The spin-off company may not approve any capital increases involving the use of University funds or which imply the reduction of the University participation below the 5% minimum required as stated in the previous paragraph, without the consent of the latter, without prejudice to the provisions of the following paragraph.
3. The revision of the participation shares between the parties with a reduction of the University share below 5% can take place, in the ways indicated in the previous paragraph, following a recapitalization of the company by the other Members/shareholders, justified by adequate growth prospects of the participated Spin-off.
4. The deed of incorporation or the by-laws of the company provide that, in the event of a transfer of shares of the participated Spin-off for whatever reason, the other shareholders have the right of pre-emption in proportion to their respective participation and that, in case the aforementioned right is not asserted, the transfer of the shares to third parties is subject to the approval of the shareholders and the University, as defined in the shareholders' agreements signed by the parties.
5. The members/shareholder of the participated Spin-off sign appropriate agreements with the University that specify:
  - a. the obligations of shareholders in the event of an increase in share capital and the transfer of shareholdings;
  - b. the composition of the governing and audit bodies;
  - c. the methods of participation of employees of the University in the Spin-off;
  - d. intellectual property management;
  - e. the terms of any agreements with university structures, as per art. 4



#### Article 4

##### **Relations between the University and the Spin-offs**

1. The University promotes collaboration with its spin-off companies in the framework of joint research programs, joint laboratories, higher education and other types of research. As part of its institutional and commercial activities, the University, using the Florentine University Incubator, can activate specific support services for the establishment, start-up and development of spin-off companies. Access to the aforementioned services is based on specific public announcements and/or agreements.
2. The relations between the University and the Spin-off, whether participated or approved, are governed by an agreement ruling the use of spaces, equipment, University staff and technology transfer commitments, as well as the transfer and mitigation of risks, and the determination of the cost for hosting the Spin-off on University grounds. In the case of participated Spin-offs, the agreement is a document added to the parasocial agreements referred to in art. 3, paragraph 5.
3. Spaces can only be assigned within the University Incubator premises and for no more than five years. The Board of Directors, based on the opinion of the Scientific Council of CsaVRI, determines the terms of duration of the stay of the entities housed at the Incubator and also determines methods for granting justified extensions up to a total of 10 years. In order to facilitate the collaboration of the Spin-offs with the Departments, joint laboratories can be set up in accordance with the current "Regulations on University Research Laboratories - External Subjects". The Spin-offs may also request to enter already established joint laboratories.
4. The working relationship with the University, the affiliation to a Department and to its active life, with the simultaneous participation as a member/shareholder of a Spin-off, must always exclude any possibility of conflict of interest and not must constitute a means for the attribution to the member belonging to academic or research staff of direct or indirect advantages, or generate discriminatory treatment against the other members/shareholders. Members/shareholders of a Spin-off cannot take on the role of scientific director of a grant/scholarship/research contract, financed by the same Spin-off, nor can they participate in tenders for research grants, scholarships or any other position announced by the University funded by the same Spin-off.
5. The university staff cannot charge their time by the hour in research projects submitted by and then financed to the Spin-off.
6. Any disputes that may arise between the University and the Spin-off are decided in the first instance through the institutions of mediation pursuant to current legislation. The Board is composed of three members: one chosen by the Spin-off, one chosen by the University and a jointly appointed president.



## **Article 5**

### **Use of the logo**

1. The Spin-offs recognized by the University of Florence pursuant to Article 8 of these Regulations, use the logo provided by the University as the only distinctive element of recognition and use it in accordance with a license agreement. The Spin-off identifies, through the logo provided by the University, exclusively the legal entity, never its individual activities, products or services.
2. The license agreement referred to in paragraph 1 must include:
  - a) in the case of art. 1, paragraph 2, that the logo is accompanied by the words "Spin-off participated by the University of Florence";
  - b) in the case of art. 1, paragraph 3, that the logo is accompanied by the words "Spin-off approved by the University of Florence";
  - c) the guarantee by the Spin-off to hold the University free of any responsibility for liabilities arising from an improper use of the logo;
  - d) conditions for revocation of the license or withdrawal from the contract by the University.
3. In the event that the University does not recognize or ceases to recognize a Spin-off, in one of the forms referred to in paragraphs 2 and 3 of art. 1, the Spin-off, cannot use the logo provided by the University or must immediately stop its use.

## **Article 6**

### **University personnel participation**

1. In application of Article 6, paragraph 9, of the law 240/2010, full-time teaching and/or research personnel proposing the activation of a Spin-off must request authorization from the President within the limits referred to in paragraph 2 of this article and in the ways regulated by the following art. 8, to be able to assume formal responsibilities in the Spin-off, within the time limit of 5 years. Other University staff can be added to the proponents, and the same authorization procedures and constraints will apply. The President of the University, the Members/shareholders of the Board of Directors, the Academic Senate, the Spin-off Commission, the CsaVRI Scientific Council, the Department Directors, except for the appointment of the University representative in the Board of Directors of a participated Spin-off, cannot take on formal responsibilities in a Spin-off.
2. For the purposes of the authorization referred to in para. 4 and pursuant to art. 4, para. 2 and 3 of the DM 168/2011, the interested party declares that the activity is carried out outside of the hours assigned to institutional tasks, does not conflict with the regular and diligent performance of their teaching and research



functions, does not compromise their autonomy, nor does it involve conflicts of interest, including the provisions of the subsequent para. 3.

3. It is expressly forbidden for the Spin-off and the teaching and/or research staff involved in carrying out activities that are in competition with the University, and in particular that are detrimental to the third-party consulting and research activities that the Department carries out with public and private bodies, pursuant to art. 5, para. 1 of the DM 168/2011 and in line with the guidelines contained in the National Anti-corruption Plan.

4. The Director of the Department to which the member lecturer or researcher belong to supervises the compliance with the provisions of para. 1, 2 and 3. If an incompatibility between the performance of the activity in favor of the Spin-off and the educational and research functions arises, the President, subject to a resolution of the Department Council, warns the aforementioned personnel to stop carrying out the said incompatible activity in favor of the Spin-off.

5. The professor or researcher is in any case required to promptly notify the President of the University of any assumption or variation of formal responsibilities covered at the time of the recognition.

6. Full-time and 50%+part-time technical-administrative personnel are allowed to assume formal responsibilities in the Spin-off within the time limit of 5 years, as long as these do not involve the power of representation. They can do so provided they seek prior authorization in accordance with the current "Regulation for the assignment of paid offices to the technical-administrative staff pursuant to Article 53 of Legislative Decree n. 165/2001". This activity in favour of the Spin-off must be carried out outside normal working hours and must not compromise the regular performance of their institutional tasks.

7. Technical and administrative staff employed on a less than 50% part-time basis can take on formal responsibilities in the Spin-off, even with the assumption of powers of representation, subject to notification to the Human Resources Area.

8. Teaching, research and technical-administrative staff may be appointed as a member of the Board of Directors of the participated Spin-off of the University, provided that the role is compatible with the performance of their functions or duties, without prejudice to the limits indicated by the current legislation.

9. Personnel who take on formal responsibilities paid by the Spin-off must notify to the President, at the end of each financial year, the dividends, remuneration and any benefits received by the Spin-off. The aforementioned earnings must also be transmitted by the competent units to the Department of Public Administration - Registry of benefits by June 30 of each year pursuant to the current "Regulations for the assignment of paid jobs to any teaching staff, researcher technical-administrative personnel as per Art. 53 of the legislative decree n. 165/2001". In compliance with the provisions of the National Anti-corruption Plan,



this information must also be published on the University's institutional portal together with information on the role played by university academic staff within the Spin-offs.

10. The participation share of the proposing Members/shareholders, as a whole, must be at least equal to that of the University in the case of a "Spin-off participated by the University" and in any case with a minimum equal to twice the minimum participation threshold stated in art. 3, para. 1.

11. The proposers must undertake not to transfer, in the presence of a participation or recognition by the University, their stake for at least three years from the establishment of the Spin-off.

## **Article 7**

### **University Commission for Spin-offs**

1. The University Commission for Spin-offs is housed at the CsaVRI premises. The Commission is composed of no less than three and no more than five members/shareholders. The members/shareholders and the President of the Commission are appointed by the President of the University, and will remain in office for four academic years and their term in office be confirmed only once consecutively. The President of CsaVRI participates in the work of the Commission.

The President convenes the Commission, by email or otherwise, and sets the agenda. A technical-administrative staff member participates in the Commission as the recording secretary. Commission decisions are taken by a majority of those present. In the event of a tie, the vote of the President prevails.

2. The Commission:

- a) expresses an opinion on the requests for recognition of Spin-offs;
- b) expresses an opinion on the issue of the authorization referred to in Article 6, first paragraph, of these Regulations;
- c) expresses an opinion on the possibility that the University participates in the Spin-off and, if so, proposes the extent and terms of such participation;
- d) carries out the annual monitoring of the activities and budgets of the Spin-offs, reporting to the Board of Directors, as required by Article 10.

## **Article 8**

### **Spin-off recognition procedure**

1. The proposers submit to the President of the University, copying sent to the President of CsaVRI in the correspondence, the request for recognition of the company, alternatively as a "Spin-off of the University" or as "Academic Spin-off".



2. Before the request, the proposers submit to their Department Council a document that illustrates the products or services that the Spin-off intends to offer to the market and their direct derivation from the scientific research carried out, indicating whether these activities are already carried out by the Department by means of contracts with public or private subjects, governed by the “University Regulations on the conduct of research or teaching activities commissioned by public and private entities”. The same document shall indicate the roles and commitment required of all university staff involved in the Spin-off.

3. The Department Council expresses its motivated opinion on the recognition of the Spin-off with reference to the possible competition of the activities of the Spin-off with those carried out by the Department and, for the personnel of the Department involved in the Spin-off, to the compatibility of the role, duties and commitment in the Spin-off with their academic activity. If the Department believes that only some Spin-off activities compete with its own activities, it can still express a favorable opinion on the recognition of the Spin-off, conditioning it to the exclusion of these activities from the business project and the corporate purpose.

4. The report containing the favorable opinion expressed by the Department Council is sent by the proposer to the President of the University and copied to the President of CsaVRI together with the request for recognition of the Spin-off.

5. The proposal for the recognition of the Spin-off is subject to the opinion of the Commission referred to in Article 7 of these Regulations and is therefore approved by the University's Board of Directors, which deliberates, subject to the favorable opinion of the Academic Senate. The recognition is valid for one year and its renewal is regulated by Article 10, paragraph 6.

6. The proposing shareholder or member, if a full-time or 50% or more part-time employee, must also make a request to be authorized to participate in the Spin-off, as prescribed by Article 6, paragraphs 1 and 2.

7. The request for recognition of the Spin-off must be accompanied by a business plan spanning to the first three years of the Spin-off's life and a scientific project connected to the corporate purpose. The plan must contain the explicit reference to the benefits provided by the University's involvement in the business project, the balance between scientific competences and management skills and, moreover, pursuant to art. 3, paragraph 2 of the DM 168/2011, it must also contain:

- a) an indication of the company's objectives and the type of Spin-off pursuant to art. 1 of this Regulation;
- b) the financial plan;
- c) the indication of the concrete economic and reference market prospects, their sustainability and the possibilities of expansion;





- d) the innovative character of the project;
- e) the scientific and technological qualities of the project;
- f) the description of the roles and duties of the professors and researchers involved, pursuant to articles 2 and 6 of these Regulations;
- g) the form of possible participation in the capital and the definition of the participation quota required by the University, in accordance with articles 3 and 5 of these Regulations;
- h) aspects relating to the governance of intellectual property pursuant to art. 10 of these Regulations.

8. In the event that the recognition as a Spin-off of an already existing company or the participation in the Spin-off of one or more existing companies is required, it is necessary to attach the financial statements of these entities, with reference to the last three years, unless it is a more recent establishment.

## **Article 9**

### **Intellectual property**

1. The intellectual and industrial property of the outcomes of the research carried out by the Spin-off remains in the hands of the same, unless it represents a direct derivation of the knowledge transferred by the University to the Spin-off at the time of its constitution.
2. The provisions of the current legislation apply to inventions made by any teaching, research and administrative-technical staff of the University.
3. The University may grant the Spin-off license or transfer of patents or know-how prior to, or subsequent to the establishment of the company and necessary for the realization of the project. This license can be, depending on the cases, exclusive or non-exclusive, limited to Italy or extended also abroad. The said license provides for:
  - a) a fee for the University;
  - b) a termination clause in the event of the University's withdrawal from the Spin-off;
  - c) the obligation for the licensee to use industrial patents and know-how to the best of their entrepreneurial skills.

## **Article 10**

### **University control and renewal of the recognition**

1. Each year, the “Spin-offs of the University of Florence” and the “Academic Spin-offs” shall transmit to CsaVRI, within 30 days from the approval of the financial statements by the shareholders' meeting, the following:



- a) a report on the activity carried out, the results achieved and the consistency of these results to the annual budgets and to the initial business plan presented;
  - b) the financial statements, including the income statement, balance sheet and cash flow statement.
2. Full-time university professors, full-time researchers and full-time and 50% or more part-time technical administrative staff who have taken on formal responsibilities free of charge or for a fee in the Spin-off shall forward the aforementioned report to their own Department or unit of affiliation, highlighting the full compatibility of their commitment in the Spin-off with the obligations deriving from their employment in the University, in addition to specifying the details of the relationship between the Departments of the personnel involved and the Spin-off.
3. If the University participates in the Spin-off as a member, the University Board of Directors appoints the University representative on the Spin-off Board of Directors, drawing, where possible, from the University staff involved in the activity of the University Incubator, and in any case making the choice according to management or scientific competence criteria in relation to the field of activity of the Spin-off. The representative belonging to the University staff participates in the company's Board of Directors free of charge, since this participation is included among the duties carried out for the University.
4. The representative of the University cannot carry out paid activities for the Spin-off or own shares thereof.
5. The representative of the University is required to report at least once a year on the Spin-off activity to the Spin-off Commission.
6. In order to maintain recognition as a Spin-off, the Spin-off Commission expresses its opinion to the Board of Directors annually, prioritizing the following elements:
- a) correct use of the logo;
  - b) compliance with the Code of Ethics;
  - c) continuity of the institutional purpose of the research, which can be measured by the following parameters: internships at the Spin-off site; funding research grants; activation of apprenticeship contracts for graduates of the University of Florence; participation in research and development programs; stipulation of research contracts or research funding; other collaborative research and technology transfer activities as well as any data or element useful for University evaluations.
7. The President of CsaVRI and the President of the Spin-off Commission report annually, for the purposes of annual recognition, to the University's Board of Directors on the activities of the participated or approved Spin-offs.



8. The Board of Directors of the University determines the maximum duration of the recognition of the Spin-offs and, in any case, in the event of a negative assessment by the Spin-off Commission, it can resolve to terminate the recognition before the expiry of the maximum term.

9. In compliance with the data publication obligations provided for by current legislation, the following data relating to the company are published in the University's institutional online portal: legal name, the extent of the administration's participation, the duration of the commitment, the overall cost attributable on the yearly administration's budget, the number of representatives of the administration in the governing bodies, the overall remuneration to each of them, the results of the last three financial years and the data relating to the offices of administration of the entity and the related overall remuneration.

#### **Article 11**

##### **Entry into force and transitional regime**

1. These Regulations will be published on the Official Register of the University and come into force the day after publication.
2. The provisions of these Regulations also apply to previously established Spin-offs that adapt their by-laws and shareholders' agreements within six months of the entry into force of these Regulations. If this is not possible, the Spin-off Commission may propose, in agreement with the interested parties, specific solutions to the University bodies which decide whether or not to accept the exceptions.

Florence, 06/08/2019

**The President of the University of Florence**

Prof. Luigi Dei