



**ISTITUTO  
ITALIANO DI  
TECNOLOGIA**

## GUIDELINES FOR THE FINANCIAL AND ORGANISATIONAL MANAGEMENT OF INVESTMENTS IN THE FIELD OF TECHNOLOGY TRANSFER

Revision	Description of change	Approval
1	First Issue	13/05/2011
2	Par.5.2	29/09/2014

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## 1. Introduction

The Fondazione Istituto Italiano di Tecnologia (hereinafter, "the Foundation" or "IIT") has among its statutory aims the promotion of the country's technological development and Technological Higher Education, consistent with the guidelines of national scientific and technological policy, thus favouring the development of the national production system ("Technology Transfer").

The creation of value as indicated above necessarily requires that appropriate financial solutions and appropriate skills are identified in order to engage in relatively complex or long-term investment operations.

These guidelines therefore aim to regulate the terms and rules of use of a part of the assets of the Foundation, specifically dedicated to the development of the Technology Transfer in accordance with the provisions of the Statute of the Foundation (hereinafter, the "Assets Dedicated to Technology Transfer").

Use of the Assets Dedicated to the Technology Transfer is functional to the pursuit of specific development objectives of the Foundation Technology Transfer as described below, there including assuming investments in the venture capital of new companies, SMEs and Spin-offs located in Italy. Assets Dedicated to Technology Transfer consists of the resources that the Foundation decides to allocate to this initiative, in relation to the objectives set out in its scientific plan and with the approval of the Scientific Technical Committee ("STC") in relation to this separate allocation of funds.

## 2. Purpose of the Assets Dedicated to Technology Transfer

2.1. The Purpose of the Assets Dedicated to Technology Transfer, consistent with the Foundation's scientific plan, is the investment operations aimed at the development of the Technology Transfer of the IIT which entails the use of resources (economic-financial, human and instrumental) of the Foundation, particularly with regard to:

- a) la valorizzazione, cessione e sfruttamento della Proprietà Intellettuale della Fondazione IIT;
- a) the valorisation, sale and exploitation of Intellectual Property of the IIT Foundation;
- b) the establishment, funding and/or participation of spin-offs;
- c) the financing of pre-clinical research studies at the departments of the Foundation;
- d) the establishment of joint ventures with firms and external companies;
- e) the promotion and financial, technical, economic and organisational support of projects and

other investment initiatives for the implementation of technology transfer and other operations geared towards establishing relations with the industrial sectors of the country;

- f) a call for technological vocation Venture Capital stake holdings for research results of the IIT Foundation.

### 3. Identification of the Assets Dedicated to Technology Transfer

- 3.1. The identification of Assets Dedicated to the *Technology Transfer* for investments required for the implementation of the activities in art. 2 of these Guidelines is prepared by the Council of the Foundation upon majority approval, and upon (from?) a proposal by the Executive Committee, with specific and exclusive assignment of part of the assets of the Foundation, including EU contributions, to investments relating to *Technology Transfer* of the IIT. Determination of the extent of Assets Dedicated to the *Technology Transfer* is identified with discretionary resolution by the Executive Committee.
- 3.2. The Assets Dedicated to *Technology Transfer* must also be further integrated with the support of other public and private sources or from EU contributions. Property and rights acquired during performance of the activities of *Technology Transfer* referred to in paragraph 2 above are also part of the dedicated assets. To this end, the operations performed in carrying out these activities and the consequent rights and relationships are univocally identified, also through specific accounting coding, representing the activities of *Technology Transfer*.
- 3.3. Subsequent additions or modifications of the consistency of the Assets Dedicated to the *Technology Transfer* are provided through resolution of the Board adopted by a majority decision of its members, upon proposal by the Executive Committee.

### 4. Financial administration, accounting and management control

- 4.1. The financial resources required to carry out the activities referred to in paragraph 2) will be taken from the Foundation's assets in accordance with the purposes of law and regulations referred to in the same assets and in the manner of withdrawal under the decree of the Minister of Economy and Finance no. 49506 of 16 June 2010 incorporated in the *policies of use* of the financial resources of the Foundation.
- 4.2. The Foundation reports the use of Dedicated Assets via appropriate accounting methods aimed at the identification of such for the purposes of planning, operations and financial statements.
- 4.3. Planning is performed using a specific centre of responsibility corresponding to the Directorate responsible for the activities of Technology Transfer, and relative ownership and allocation of budgets, and which in turn will be divided into projects related to the individual initiatives

referred to in paragraph 2), capable of adequately representing the resources allocated.

- 4.4. The final balance is aligned with the timeframes already in use by the Foundation with specific evidence of trends on an interim and annual basis. The reporting is structured to reflect the particularities highlighted above
- 4.5. The activities in question are subjected, as are all the other assets of the Foundation, to voluntary audit in compliance with current policies, which should specifically evidence the congruence of the activity to the specific allocation.

## 5. Organisational structure

- 5.1. The use of the Assets Dedicated to the *Technology Transfer* is performed within budget limits, consistent with the system of delegation and powers adopted by the Foundation by a Directorate, which reports to the Scientific Director and is co-ordinated in terms of managerial and administrative aspects by the Director-General, called the *Technology Transfer* Directorate, with a functional link to the Executive Committee.
- 5.2. A Director oversees the *Technology Transfer*. He is appointed by the Executive Committee on the proposal of the Scientific Director for a period of five years, renewable, selected among persons of proven expertise and experience pertaining to activity under art. 2 of the Guidelines and more generally in the operations of evaluation and analysis of investments.
- 5.3. Activities of the *Technology Transfer* Directorate are provided on a quarterly basis to the Executive Committee in a report by the Director
- 5.4. The Directorate will have its own technical and administrative structure with adequate business skills for the tasks it is entrusted with.

## 6. Decision Making

- 6.1. The Use of Assets Dedicated to *Technology Transfer* for the activities referred to in art. 2) of the Guidelines is established, in relation to each individual investment transaction, by resolution adopted by the Executive Committee of the Foundation, upon proposal of the Scientific Director.
- 6.2. The Executive Committee for the evaluation of the activities of each investment proposal received shall seek the support of the Scientific and Technical Committee ("STC") or one of its Subcommittees, which expresses for each investment its own written opinion on the scientific

and entrepreneurial validity of the operation and, consequently, allocation of funds. The STC will be responsible for analysing the results of the selection process for each investment and for expressing their reasoned and non binding opinion with respect to decisions that the Executive Committee may then take in full autonomy:

- a) On whether to order a more thorough assessment of the investment (*due diligence*);;
- b) On the decision of investment or disinvestment proposed

6.3. All investments relating to the initiatives in art. 2 must necessarily involve a return for the Foundation expressed in future cash flows and related risk analysis. The initiatives must also express the potential consequences in the sectors of the Italian production system.

6.4. In relation to the management of the Assets Dedicated to the *Technology Transfer*, the Council is provided by the Executive Committee with:

- a) general information on its progress at regular meetings of the Council;
- b) specific accounting upon annual approval of the financial statements.

## 7. *Royalties*

7.1. Identification of the market *Royalties* for each contract shall be referred to the Executive Committee, upon a proposal brought by the Scientific Director, after consultation with the *Technology Transfer* Directorate, and having obtained, where appropriate, the opinion of the STC.