**Division of Royalties Pursuant to Patent Policy**

Effective for inventions disclosed on or after October 1, 2022, the Provost and the Managing Director of Yale Ventures have adopted the following practice with regard to interpretation of the relevant provisions of the Yale University Patent Policy:

Paragraph 4.b will be implemented as follows: The first 10% of Royalties and all other incidental expenses previously allocated to general support of the Office of Cooperative Research will be waived. Such first 10% of Royalties and incidental expenses shall be distributed on a pro rata basis among those inventions from which it was recovered and shall be distributed as part of Net Royalties as described in Paragraph 4.d of the Patent Policy unless otherwise prohibited by contract or other restriction.

Paragraph 4.d will be implemented as follows:

- **The first $100,000 of cumulative Net Royalties**
  
  The 50% allocated to the University to the general support of University research shall be suballocated as follows: 15% to Inventor’s Lab, 15% to Inventor’s Department, and 20% to Inventor’s School.

- **Net Royalties between $100,000 and $200,000**
  
  The 60% allocated to the University to the general support of University research shall be suballocated as follows: 15% to Inventor’s Lab, 15% to Inventor’s Department, and 30% to Inventor’s School.

- **Net Royalties exceeding $200,000**
  
  The 70% allocated to the University to the general support of University research shall be suballocated as follows: 15% to Inventor’s Lab, 15% to Inventor’s Department, and 40% to Inventor’s School.

In the case of suballocations of the University’s interests of Net Royalties under Paragraph 4.d, Yale Ventures generally will administer the distribution of Royalties to the respective Schools, Labs, and Departments with an equal split for all Schools involved. Lab and Department shares will be capped at $1.5M, respectively, for each fiscal year and amounts in excess of caps will be reverted to the Provost. Detailed guidance on suballocations, such as in situations involving joint appointments or inventions made by faculty in more than one Department, designation to institutes or centers, or when a principal investigator departs Yale, is available from Yale Ventures.

Capitalized terms in this document have the meaning given in the Patent Policy.