

**CODES OF PRACTICE GOVERNING DEVELOPMENT OF, AND ACCESS TO, LHASA  
LIMITED SOFTWARE**

1. Introduction
2. Development of software
3. On-line access to the Lhasa Limited software
4. Licensing of Lhasa Limited software for in-house use
5. Procedures governing contributions to the development of Lhasa Limited software

Lhasa Limited Board of Directors  
December 2008

## 1. Introduction

These Codes of Practice, set up in accordance with the Memorandum and Articles of Association of Lhasa Limited, describe the rights and obligations of organisations who sponsor the development of software at Lhasa Limited. Throughout this document, “software” means any kind of computer program, knowledge base, or data base, and related documentation, developed by or for Lhasa Limited in a collaborative project.

## 2. Development of Software

These Codes of Practice concern Lhasa Limited software that is created, extended, or maintained by contribution in cash and/or kind to collaborative projects by those members of Lhasa Limited who agree so to contribute. Separate projects deal with separate pieces of software.

In accordance with the Memorandum and Articles of Association of Lhasa Limited, organisations who contribute fully to one of more collaborative projects are normally designated as Full Members and are entitled to the particular rights of Full Members.

Each project for the creation or expansion of software will be managed and coordinated by Lhasa Limited. The aims of each project, in particular with regard to intended software deliverables, will be presented in writing to potential sponsors. These project definitions will be reviewed annually and where changes are found to have occurred or are expected to occur, the definitions will be updated and presented to the members contributing to the project for re-approval.

Lhasa Limited will set up a steering committee for each project, chaired by a representative of Lhasa Limited. The members of the committee will be representatives chosen by the organisations contributing to the project (usually one representative from each organisation). The committee will recommend priorities for work on the project and monitor progress. In the event of dispute, final decisions will be made by vote of the Board of Directors.

New additions to software in each project will be made available at least once a year to those organisations contributing to the project unless it is otherwise agreed by those organisations. A written progress report for each project will be supplied by Lhasa Limited to all organisations contributing to the project, and to any other members of Lhasa Limited who request copies, at least once a year.

Contributions (whether in cash or in kind and including buying in fees, sponsorship and other payments) received by Lhasa Limited from project participants, members or otherwise, may be used by Lhasa Limited in the furtherance of other projects and more generally in support of the wider charitable purposes of Lhasa Limited as the Board of Directors may decide, subject always to meeting any specific obligations agreed with the contributors.

## 3. ON-LINE Access to Lhasa Limited Software

At the discretion of the Board of Directors, Lhasa Limited may allow members of Lhasa Limited on-line access to Lhasa Limited Software at charge rates to be determined from time to time by the Board of Directors. In allowing such access, Lhasa Limited shall not discriminate between members as regards right of access or price other than as set out in sections 3.1 to 3.5 below. Non-members may be allowed on-line access to software, at rates and on terms to be determined from time to time by the Board of Directors, only for the purposes of limited evaluation of the software. In addition, non-members may be allowed on-line access to software which the relevant steering committee has designated for publication.

3.1 Where there is a distinction between a standard version of a piece of software and an extended version containing material developed under a collaborative project, the standard version and the extended version may be made available on-line as an “open” version and a “shared” version at different charge rates and subject to different access restrictions as set out below.

- 3.2 Where a standard version of software is made available on-line, it shall be made available to all academic members and the charge rates made for access to it shall be the same for all academic members.
- 3.3 Where an extended version of software is made available on-line it shall be made available to all academic members. The charge rate for access to extended software for academic members who contributed to, or contribute to, its development and maintenance will be lower than the charge rate for academic members who did not, or do not, contribute.
- 3.4 Where a standard version of software is made available on-line to non-academic members, it shall be made available to all non-academic members and the charge rates made for access to it shall be the same for all non-academic members, though they need not be the same as the charge rates made for academic members.
- 3.5 Where an extended version of software is made available on-line to non-academic members it shall be made available to all non-academic members. The charge rate for access to extended software for non-academic members who contributed to, or contribute to, its development and maintenance will be lower than the charge rate for non-academic members who did not, or do not, contribute.

#### **4. Procedure for Licensing Software for In-house Use**

Before any organisation can receive a copy of Lhasa Limited Software and run it in-house, the organisation must first join Lhasa Limited by payment of the membership fee as determined by the Board of Directors or be an Affiliate of Lhasa Limited. Each licence will be for use of the software exclusively by the licensed Member for its own purposes on agreed computers. At the discretion of the Board of Directors and subject to the approval of the relevant steering committee(s), a Member may be granted a licence to provide a service to non-members on terms that benefit Lhasa Limited and its members and are consistent with the aims and objectives and charitable status of Lhasa Limited.

Full Members shall be entitled to receive the knowledge base or database editor for the project to which they make a full contribution, subject to agreed licence terms. Associate Members will not be entitled to receive the knowledge base or database editor unless they first pay a buying-in fee and the appropriate sponsorship fee in order to become paid-up Full Members of the appropriate collaborative project.

The value of software changes each year, losing value through depreciation and gaining value as the result of new additions to it. For each item of software there is therefore a) a buying-in fee and b) an annual sponsorship for organisations wishing to receive updates to the software each year.

Software and fees will be determined as follows:

##### **Software Value**

The value of new additions to each item of software and the value of each previously existing item of software will be determined at least annually by the Board of Directors, and shall be subject to audit by the company accountants.

The value of new additions will be based on the value of work done in making them by Lhasa Limited and member organisations who make contributions in kind.

The value of previously existing software will be its last estimated value adjusted to allow for depreciation or appreciation as may be appropriate.

##### **The Buying-in Fee**

The buying-in fee for an item of software will be determined by the Board of Directors of Lhasa Limited at the time of the application. It will be based solely on a reasonable assessment of the

value of the software. Contributions to development of software already made in cash or kind by a Member will count pro-rata towards the part or whole payment of the buying-in fee for that software by that Member such that, unless otherwise determined by special resolution at a general meeting of Lhasa Limited, a Member who has contributed at the full annual rate throughout a software project pays no buying-in fee for software from the project.

In the event that projects are merged, or that one project is terminated and its purpose is effectively met by another project, for the purposes of determining buying-in fees contributions to the projects that are discontinued will be treated as though they had been contributions to the projects that take their place.

### **The Annual Sponsorship**

A Member or Affiliate who pays the appropriate buying-in fee for an item of software and who thereafter contributes annually and fully to the continuing development of that software, as follows, will be entitled to receive updates and additions to the software at no additional charge:-

1. a) by making an annual cash donation towards development of the software equivalent to the agreed annual contribution;
- OR b) by making the agreed annual contribution in kind towards development of the software (see clause 5), to the value equivalent to the agreed annual contribution;
- OR c) by making contributions both in cash and in kind, together equivalent to the annual contribution;

Annual contributions are to be determined from time to time by and at the discretion of the Board of Directors and may be subject to the terms of any licence or other agreement between the Company and the Member or Affiliate.

## **5. Procedures Governing Contributions to Lhasa Limited Software Development**

### **General procedure**

- a) All contributions of software will be subject to peer review.
- b) Software contributions once made cannot be removed by the contributor at any time.
- c) The allocation of software to standard and expanded versions will be determined from time to time by the Board of Directors, subject to clause (d) below.
- d) Each contributor to a project will have an equal vote with other contributors to the project on the actions taken concerning the software in the project. In the event of disagreement among the parties contributing to a particular project or between them and Lhasa Limited, the matter shall be put to a general meeting of Lhasa Limited and Lhasa Limited and the parties must abide by the majority decision of the Full Members of Lhasa Limited present at that meeting.
- e) If an organisation resigns from membership of Lhasa Limited that organisation forfeits all rights of control over actions taken concerning the software.
- f) Any decisions affecting commercial aspects of the software, its availability outside Lhasa Limited, etc., shall be decided upon by a majority vote of the Board of Directors.
- g) Any Full Member which does not meet its full obligation in terms of contribution (see under 'Contributions Procedure') in any one year will be given 6 months grace to catch up in the following year but will be expected also to fulfil its obligations for that year. In the event of not catching up within the 6 month period the organisation will be transferred to Associate Member status.

- h) A Member of Lhasa Limited is entitled to keep for its own use, on the terms currently in force for the supply of software, copies of the Lhasa Limited software in existence at that time from projects to which the Member was a fully paid-up contributor only whilst it remains a member of Lhasa Limited and pays the appropriate annual membership fee.

### **Confidentiality**

From time to time in the course of a project, information of a confidential nature belonging to a member may come into the possession of Lhasa Limited or one or more other members working on the project, and information of a confidential nature belonging to Lhasa Limited may come into the possession of one or more members. Anyone receiving such information shall treat the information with the same care with which it treats its own confidential information, provided that such undertaking shall not extend to any information which is already in the possession of the recipient at the date of receipt by this means or which is public knowledge (other than by reason of any breach of this undertaking).

### **Contributions procedure**

Levels of contribution for each project will be determined before the commencement of the project, and thereafter from time to time, normally once a year, by the Board of Directors. Contributions in kind will normally be quantified as the direct staff time ('Scientist Hours' or 'SH') which they represent. The cash value of a contribution in kind will be 70% of the cost which Lhasa Limited would incur, including overheads, employing for the same length of time staff with appropriate experience and skills to do the same or similar work. Optionally, a Member making a contribution in kind may propose, with good reason, that the value of the contribution differs from the staff time which it directly represents and in such cases the contribution shall be reviewed by two referees chosen by the relevant steering committee from within its membership and the value to be attached to the contribution, if it is made, shall be decided by the relevant steering committee whose decision shall be reasonable and based on the advice of the contributing member and the two referees.

In making any contribution in kind, the Member or Affiliate as the case may be, shall provide to, and in favour of, Lhasa Limited and upon such terms as the Board of Directors may reasonably require:

- (a) an indemnity to the extent that the contribution may infringe third party intellectual property rights;
- (b) a warranty of ownership (free from any third party rights) of the subject matter of the contribution; and
- (c) an assignment of copyright and other intellectual property rights.

Each organisation contributing in kind will keep records of time spent on the work and will submit half-yearly reports to Lhasa Limited (a copy of a form suitable for this purpose appears at the end of this document). Contributions will not necessarily be in the form only of knowledge base additions, data, or program code, but will include activities such as attendance at technical meetings and quality control work. No contribution of any sort for which an individual is paid by Lhasa Limited shall count as part of a member's contribution. Attendance at routine quarterly project steering committee meetings, Board of Directors meetings, and general meetings of Lhasa Limited shall not count as contributions.

Lhasa Limited Board of Directors  
December 2008

**Lhasa Limited**

SOFTWARE DEVELOPMENT CONTRIBUTION CREDIT RECORD

Name of Representative:

Organisation:

Signed: Date:

---

6 month period covered:

Project :

WORK DONE

CREDITS  
(SH\*)

TOTAL

\_\_\_\_\_  
\_\_\_\_\_

\*Scientist Hours