

# CF AMR Syndicate Collaborative Discovery Programme - Conditions

Find below the details of the terms and conditions set out for the Collaborative Discovery Programme funding call.

## 1. DEFINITIONS AND INTERPRETATION

- 1.1. Words beginning with a capital letter shall have the meaning defined either in clause 16.1 or elsewhere in the Funding Terms and Conditions.
- 1.2. The Funding Terms and Conditions shall be interpreted in accordance with the provisions set out in clause 16.2.

## 2. FUNDING

- 2.1. Subject to the Recipient's compliance with the Funding Terms and Conditions and following achievement of the corresponding Milestones, LifeArc (as part of the CF AMR Syndicate) shall make the Funding available to the Recipient in the amounts set out in part 4 of the Funding Terms. For the avoidance of doubt, the Funding Terms and Conditions shall be solely between LifeArc and the Recipient.
- 2.2. The Recipient may call for payment of an available amount of the Funding with respect to which the corresponding Milestones have been satisfied (or waived by LifeArc) by giving a Drawdown Notice to LifeArc prior to the Milestone Date (as applicable) for such Funding amount (as set out in part 4 of the Funding Terms). No amount of the Funding shall be paid unless and until LifeArc is reasonably satisfied that such payment will be used for proper expenditure in the delivery of the Research Programme.
- 2.3. Where LifeArc provides any part of the Funding in advance, the Recipient shall hold such funding in trust on behalf of LifeArc and shall only use or expend the same in accordance with this Agreement.
- 2.4. Save as may otherwise be provided by clauses 10 and 11, if, on completion of the Research Programme or earlier termination or transfer of the Funding pursuant to this Agreement, the entire sum of the Funding actually received by Recipient has not been spent (or irrevocably committed) to support the Research Programme, the Recipient shall promptly inform LifeArc of that underspend and, if the Parties do not agree to re-allocate such surplus to another funding/award/project, Recipient shall promptly return such unspent funds to LifeArc.
- 2.5. The amount of the Funding shall not be increased in the event of any overspend by the Recipient in its delivery of the Research Programme, unless agreed in writing by LifeArc.

## 3. RESEARCH PROGRAMME

- 3.1. The Recipient shall use the Funding solely for the purposes of the Research Programme. The use of the Funding for any other purpose is not permitted without LifeArc's prior written approval.
- 3.2. The Recipient shall be solely responsible for the Research Programme. The Recipient shall ensure that all Research Programme Participants comply with the Funding Terms and Conditions, and shall ensure that an obligation on Research Programme Participants to comply with all applicable Funding Terms and Conditions is included in all Collaboration Agreements.

- 3.3. The Recipient shall ensure the Research Programme is carried out under the direction of the Lead Researcher and in accordance with all applicable legal, health and safety, ethical and regulatory requirements and research standards.
- 3.4. The Lead Researcher shall be responsible for the overall management of the Research Programme and for ensuring that the Research Programme is administered in accordance with this Agreement.
- 3.5. The Recipient shall ensure all approvals (including, but not limited to, ethical and regulatory approvals), consents, permissions, authorisations and licences necessary to conduct the Research Programme are obtained before the Research Programme activity requiring (as applicable) such approval(s), consent(s), permission(s), authorisation(s) and/or licence(s) commences.
- 3.6. Save for the Funding made available to the Recipient under the Funding Terms and Conditions, LifeArc shall have no obligation to contribute to the costs of, nor any other liability with respect to or arising from, the Research Programme. Any Associated Projects between LifeArc and the Recipient and/or any of the Research Programme Participants (to the extent that any such Associated Projects may or may not occur) shall be subject to separate legally binding agreement(s), and the commercial terms of such agreement(s) shall not be based on the Funding Terms and Conditions but shall be negotiated separately between the relevant parties.
- 3.7. No assurance is given by the Recipient as to the ability of the Research Programme to generate any Arising IP or otherwise to achieve any outcome or result.
- 3.8. The Recipient shall be free to modify and amend any aspect of the Research Programme, provided that: (i) each modification or amendment (together with an updated copy of the Research Programme plan) is notified to, and discussed in advance with, LifeArc; (ii) no material modification or amendment of the Research Programme may be made without the prior written consent of LifeArc (such consent not to be unreasonably refused or delayed); and (iii) the Research Programme continues to fall within the scope of LifeArc's Charitable Purposes following each modification or amendment. Without limitation, any modification or amendment of the Milestones, objectives or subject matter of the Research Programme, any change of Research Programme Participants (whether Research Programme Participants leaving the Research Programme or any proposed new Research Programme Participants) or any change to the proposed use of any Arising IP, shall be deemed a material modification or amendment.
- 3.9. Where the Research Programme involves the use of animals, the Recipient shall ensure:
  - 3.9.1. animals are only used in the Research Programme where this is essential, and the research question being addressed cannot be answered using alternative methods;
  - 3.9.2. any part of the Research Programme involving the use of animals is designed and implemented so that:
    - a) the experimental design is appropriate and is likely to answer the research question;
    - b) the least sentient species with the appropriate physiology is used;
    - c) animals are appropriately housed and maintained in a species-appropriate manner that minimises stress and maximises the animals' welfare;
    - d) the number of animals used is the minimum sufficient to provide adequate statistical power to answer the questions posed; and
    - e) the severity of procedures performed on animals is kept to a minimum. To that end, experiments should be kept as short as possible and appropriate anaesthesia, analgesia and humane endpoints should be used to minimise any pain and suffering;
  - 3.9.3. all activities involving animals comply with the core principles set out in the cross-funder guidance 'Responsibility in the use of animals in bioscience research: Expectations of the major research councils and charitable funding bodies' (available at [www.nc3rs.org.uk](http://www.nc3rs.org.uk));

- 3.9.4. all activities involving non-human primates comply with the 'NC3Rs Guidelines: Primate accommodation, care and use' (available at [www.nc3rs.org.uk](http://www.nc3rs.org.uk));
- 3.9.5. advice is sought from NC3Rs ([www.nc3rs.org.uk](http://www.nc3rs.org.uk)) and/or other appropriate animal welfare bodies in relation to the requirements set out in clauses 3.9.2 to 3.9.4 above and Recipient shall promptly provide LifeArc with details of such advice and how such advice has been implemented;
- 3.9.6. when animals are purchased from commercial suppliers, UK suppliers are used wherever possible, to minimise the risk of suffering during transport;
- 3.9.7. compliance at all times with the provisions of the Animals (Scientific Procedures) Act 1986 (as may be amended or supplemented from time-to-time) and any advice, guidance or requirements received from the relevant ethics committee, NC3Rs and/or other appropriate animal welfare body;
- 3.9.8. all necessary licences, consents and approvals have been received before any work requiring such licenses, consent and/or approval is initiated;
- 3.9.9. results arising from animal-based studies are reported in accordance with the ARRIVE guidelines ([www.nc3rs.org.uk/ARRIVE](http://www.nc3rs.org.uk/ARRIVE)) as far as possible, taking into account the specific editorial policies of the journal concerned;
- 3.9.10. any new procedure likely to replace the use of animals in research or testing, reduce the numbers used or refine animal use for the same is promptly reported to NC3Rs and disseminated through the usual channels to all those who might make use of it; and
- 3.9.11. any substantive changes to animal species and/or experimental design from that set out in the Application, must be notified to LifeArc, together with any advice/suggestions in relation to the same obtained from any ethics committee, NC3Rs and/or other animal welfare body, before such changes are implemented.

#### **4. INTELLECTUAL PROPERTY AND REVENUE SHARE**

- 4.1. Nothing in the Funding Terms and Conditions confers any licence or other right on LifeArc under the Background IP or Arising IP. Neither the advance of the Funding to the Recipient by LifeArc nor the provision of any Confidential Information by the Recipient to LifeArc, shall confer upon LifeArc any right to any Background IP or Arising IP.
- 4.2. The Recipient shall ensure that it owns all right, title and interest in the Arising IP.
- 4.3. As a charity, LifeArc is under an obligation to ensure that useful results of research it has funded (whether in whole or in part) are applied for public benefit. In some circumstances this may be best achieved through the protection of intellectual property and commercial exploitation (where this, rather than, for example, publication, is considered to be the most likely route to create impact for the benefit of patients). The Recipient will actively consider whether the protection, management and exploitation of Arising IP is an appropriate means of achieving public benefit and develop and implement strategies and procedures for the identification, protection, management and exploitation of Arising IP. For clarity and subject to clause 4.6, nothing in this clause 4.3 is intended to prevent Recipient from (or require Recipient to notify or obtain the consent of LifeArc before) entering into agreements with third parties after the date of the Funding Letter in relation to the exploitation of Arising IP.
- 4.4. The Recipient may in its sole discretion and at its own expense prepare, file, prosecute and maintain one or more Patent Rights or other applications for statutory protection of the Arising IP and defend and enforce such rights once obtained. For clarity, the Funding may not be used to cover any costs incurred by the Recipient in respect of the activities foreseen by this clause 4.4.
- 4.5. If there is not reasonable protection, management or commercialisation of any Arising IP, then LifeArc shall have the right, by giving the Recipient six months' written notice, to protect, manage and commercialise the Arising IP on behalf of the Recipient. LifeArc may exercise this right sooner where it reasonably considers that the opportunity to protect, manage or commercialise the

Arising IP for the public benefit could be lost if more immediate action is not taken. The Recipient agrees to do, and will ensure that all Research Programme Participants, the Lead Researcher and any individual working on the Research Programme do, all acts required to assist LifeArc in such protection, management and commercialisation.

- 4.6. LifeArc written consent (not to be unreasonably withheld) shall be required prior to any commercialisation of Arising IP by any party. When considering whether or not to grant its consent, LifeArc will consider any representations that the Recipient wishes to make or assurances or commitments it wishes to give as to how the commercialisation of Arising IP is likely to lead to the delivery of patient impact and public benefit.
- 4.7. In consideration for LifeArc's written consent to commercially exploit Arising IP, the Recipient agrees (and shall procure that the Research Programme Participants and any relevant third parties agree) to share Exploitation Revenue with LifeArc. The share of Exploitation Revenue due to LifeArc shall be agreed by the Parties in good faith on a case-by-case basis and after giving due consideration to the AMRC Guidelines, at the time LifeArc provides its written consent, if any.
- 4.8. The Recipient shall ensure that LifeArc is kept informed as to the progress of, and all material developments concerning, any commercial exploitation of the Arising IP and provide LifeArc with such updates and other information with respect to such matter as LifeArc may from time-to-time reasonably request. The Recipient (or its TTO or Research Programme Participants if applicable) shall promptly provide LifeArc from time-to-time as reasonably requested by LifeArc with details in writing of any Exploitation Revenue received.
- 4.9. Except as advised to LifeArc in writing before the date of the Funding Letter (whether in the Application or otherwise), the Recipient confirms that it has such right, title and interest in and shall retain such right, title and interest in the Background IP, all to the extent necessary to conduct the Research Programme and comply with its obligations under the Funding Terms and Conditions.

## **5. INFORMATION RIGHTS**

- 5.1. The Recipient shall provide LifeArc with such accounts, receipts and other information as LifeArc may reasonably request (including as to the form of such information and level of detail) evidencing how Funding monies have been spent and the financial forecasts of the Recipient with respect to the future spending of Funding monies.
- 5.2. The Recipient shall ensure that LifeArc is kept informed as to the progress of, and all material developments concerning, the Research Programme (including but not limited to any proposed publication in any form of Confidential Information or Arising IP) and shall provide LifeArc with such updates and other information with respect to the Research Programme (including as may concern Technical Information, Arising IP, Background IP and Collaboration Agreements) as LifeArc may from time-to-time reasonably request. The Recipient shall provide LifeArc on request with a copy of any Collaboration Agreements and, if requested, an explanation of any of the terms of any Collaboration Agreement and of how those terms are designed to serve the parties' objectives as set out at clause 9. The Recipient shall promptly inform LifeArc if the Lead Researcher intends to transfer to another institution or is otherwise unable or unwilling to continue to perform their role in the Research Programme.
- 5.3. Without prejudice to the generality of clause 5.2, the Recipient shall procure:
  - 5.3.1. that the Recipient (or, with LifeArc written consent, the Lead Researcher) will prepare, with reasonable skill and care, and submit a report (in the format requested by LifeArc from time to time) as soon as possible following achievement of a Milestone to allow LifeArc to confirm whether such Milestone has been met (unless LifeArc explicitly waives in writing the requirement for such a report for any given milestone); and
  - 5.3.2. that LifeArc is provided with any other such updates as it may reasonably request from time to time.

- 5.4. The Recipient shall inform LifeArc immediately if a Serious Incident occurs in relation to the Research Programme and shall provide LifeArc with such additional information and other assistance as LifeArc shall reasonably require in the event that LifeArc is required to make a Serious Incident report to the Charity Commission for England and Wales and/or Office of the Scottish Charity Regulator.
- 5.5. The Recipient shall procure that the Lead Researcher, a representative from the Recipient and other relevant people within the Research Programme are available to meet and discuss progress of the Research Programme with a LifeArc representative or other person(s) so nominated by LifeArc at LifeArc's reasonable request, and the frequency of such meetings shall be determined by LifeArc acting reasonably. LifeArc shall also have the right to attend project management meetings or similar in respect of the Research Programme at LifeArc's reasonable request.
- 5.6. In order to enable LifeArc to monitor the public benefit it is providing and to demonstrate the impact of its charitable activities, the Recipient shall keep LifeArc informed in a timely manner and in reasonable detail, of all material matters relating to:
- 5.6.1. the preparation, filing, prosecution and maintenance of Patent Rights or other applications for statutory protection of the Arising IP, including disclosing to LifeArc the complete text of all such Arising Patents and applications therefore;
  - 5.6.2. any decision to publish or not to publish the useful results of the Research Programme which may be of potential wider interest, including the reasons for any decision to publish or not to publish; and
  - 5.6.3. the further development and commercialisation of, and/or any proposed Dealing with respect to, any Arising IP and/or the required Background IP identified in part 3 of the Funding Terms.
- 5.7. Upon conclusion of the Research Programme the Recipient shall procure that it (or, with LifeArc's written consent, the Lead Researcher) prepares, with reasonable skill and care, a Final Report. The Final Report shall be in the format requested by LifeArc from time to time. A preliminary draft of the Final Report shall be delivered by the Recipient to LifeArc within 90 days of the conclusion of the Research Programme in order that LifeArc may review and comment thereon. The final version of the Final Report shall be delivered by the Recipient to LifeArc within 120 days of the conclusion of the Research Programme and shall take into account any comments provided by LifeArc.

## **6. CONFIDENTIALITY**

- 6.1. During the term of the Research Programme and for a period of seven years thereafter, LifeArc shall treat all Confidential Information that it receives from the Recipient as confidential and shall not without the prior written consent of the Recipient disclose the same to any third party, or use the same for any purpose, in each case save for disclosure or use as a Permitted Purpose. The restrictions on use and disclosure of Confidential Information shall not apply to any part of the Confidential Information:
- 6.1.1. in the public domain through no breach of any obligations of confidence by LifeArc;
  - 6.1.2. can be shown by LifeArc to have been in LifeArc's possession prior to receipt;
  - 6.1.3. acquired by LifeArc from any third party without any obligations of confidence;
  - 6.1.4. which can be shown to have been developed by LifeArc without reference to or without the benefit of any Confidential Information disclosed to it; or
  - 6.1.5. if and to the extent the Recipient has confirmed such information is not confidential.
- 6.2. Notwithstanding the terms of clause 6.1, LifeArc may disclose and/or use any Confidential Information to the extent that such disclosure or use is:
- 6.2.1. approved by the Recipient;

- 6.2.2. made in any report published by LifeArc concerning the activities of LifeArc, provided that such information so disclosed is summary in nature and does not disclose confidential Background IP or Arising IP. A draft of the information concerning the Research Programme proposed to be included in such report shall be provided by LifeArc to the Recipient reasonably (and in any event not less than 14 days) in advance of such publication to enable the Recipient to review and comment thereon;
- 6.2.3. a disclosure made to any of its Affiliates (or any of its, or any of the foregoing's, directors, officers, managers, employees, consultants, advisors, and/or partners) provided that, in each case, such recipient is subject to obligations of confidentiality and restrictions on use no less extensive than the terms set out in this clause 6; and
- 6.2.4. made to the extent required by any applicable law or regulation, the rules of any investment exchange or any order or direction of, or to, any court, tribunal, regulator or other governmental authority (including, without limitation, the Charity Commission for England and Wales and Office of the Scottish Charity Regulator).
- 6.3. The Parties acknowledge that monetary damages alone may not be a sufficient remedy for any actual or threatened breach of this clause 6 and that equitable relief may be available in respect of any such breach hereof without proof of special damages.

## **7. DISCLOSURE OF THE FUNDING**

- 7.1. The Recipient shall use its best efforts to procure that any public announcement, disclosure or publication (in any media) concerning the Research Programme or the Arising IP and which is made by (or with the approval or consent of) the Recipient or any third party acquiring any interest in Arising IP includes a statement indicating that the Research Programme received (and Arising IP was generated using) funding from LifeArc. Such statement shall be given no lesser prominence than any statement in the same announcement, disclosure or publication linking the Recipient to the Research Programme.
- 7.2. The requirements of clause 7.1 shall not apply with respect to any public announcement, disclosure or publication to the extent, and in circumstances where it is reasonable to conclude, that: (i) the inclusion of such a statement would be inappropriate, highly unusual or unduly onerous; or (ii) the extent to which such public announcement, disclosure or publication concerns the Research Programme or the Arising IP is minor and merely ancillary to some other substantive subject matter.
- 7.3. For the purposes of clause 7.2, it shall be presumed that a statement indicating that the Research Programme received funding from LifeArc would be inappropriate in the context of a public announcement, disclosure or publication made by a third party concerning the development and/or commercialisation of the Arising IP (without reference to the Research Programme or the Recipient).
- 7.4. Subject to clause 6, LifeArc may make public the purpose and amount of the Funding in whatever way it thinks fit. LifeArc may include in such publicity, among other things, the name and place of work of the Lead Researcher and others funded by the Funding and the title and a non-confidential abstract of the subject matter of the Research Programme. The Recipient shall, and shall ensure that all Research Programme Participants and the Lead Researcher (as applicable) shall, co-operate with LifeArc to effect such publicity.

## **8. ASSURANCES**

- 8.1. The Recipient shall be solely responsible for the Research Programme which shall be conducted with reasonable skill and care, in a timely manner, and in accordance with applicable laws and regulations, and (as applicable) good laboratory practice, and good manufacturing practice.
- 8.2. The Recipient shall procure that the Research Programme will be carried on in a manner that seeks to ensure continued compliance with an appropriate Animal Welfare Policy and which demonstrates the Recipient's commitment to upholding appropriate welfare standards in connection with scientific research.

- 8.3. The Recipient shall comply with, and shall maintain in place, adequate procedures designed to prevent any person associated with it violating the UK Bribery Act 2010 and/or any other applicable anti-bribery or anti-corruption law(s) applicable to the Recipient.
- 8.4. The Recipient shall ensure the Research Programme is undertaken in accordance with all applicable Safeguarding standards and with a view to Safeguarding from harm any person who may be impacted by the Research Program, including children and vulnerable adults. The Recipient shall notify LifeArc as soon as possible (and without undue delay) of any incidents in which any staff, volunteers or participants involved in the Research Programme are harmed or placed at risk of harm and any Safeguarding allegations or concerns arising from or relating to the Research Programme, and shall provide such details as LifeArc shall require about the same. The Recipient shall comply with all locally applicable safeguarding reporting requirements in addition to notifying LifeArc.
- 8.5. The Recipient confirms, warrants and undertakes as follows:
- 8.5.1. all persons working on the Research Programme (including employees, students, visiting workers and subcontractors) are and shall be employed or retained by (or otherwise enter into appropriate contractual agreements with) the Recipient on terms that vest in the Recipient all right, title and interest in and to any Arising IP;
  - 8.5.2. save to the extent disclosed in writing to LifeArc by the Recipient prior to the date of the Funding Letter (whether in the Application or otherwise), on the date of the Funding Letter no third party has any right with respect to any Arising IP;
  - 8.5.3. so far as the Recipient is aware, the conduct of the Research Programme shall not infringe the Intellectual Property or other rights of any third party (and that if the Recipient becomes aware at any time that such an infringement is a possibility, the Recipient shall immediately notify LifeArc of such);
  - 8.5.4. save to the extent disclosed in writing to LifeArc by the Recipient prior to the date of the Funding Letter (whether in the Application or otherwise), the Background IP identified in part 3 of the Funding Terms is (i) owned by the Recipient; (ii) the Recipient is entitled to use the same to conduct the Research Programme and to support the further development and commercialisation of the Arising IP outside of the Research Programme; and (iii) the Recipient is not aware of any other Intellectual Property that will, or is reasonably likely to be, required to conduct the Research Programme;
  - 8.5.5. it is correctly constituted and regulated to be able to receive the Funding and to deliver the Research Programme and is not subject to any contractual or other restriction which may prevent or materially impede it from meeting its obligations under the Funding Terms and Conditions;
  - 8.5.6. it has all necessary resources and expertise to deliver the Research Programme (assuming due receipt of the Funding), or, where such resources and expertise are not currently available has sought and received prior written agreement from LifeArc regarding the proposed plan to procure such resources and expertise;
  - 8.5.7. all financial and other information concerning the Recipient which has been disclosed to LifeArc by the Recipient is to the best of its knowledge and belief, true and accurate;
  - 8.5.8. it shall not make any significant changes to its legal status, transfer any significant assets or merge or amalgamate with another body without first notifying LifeArc; and
  - 8.5.9. it has and shall keep in place adequate procedures and systems in place for preventing and dealing with any conflicts of interest, misconduct and fraud (including research misconduct and fraud) and administrative malfunction and shall make those procedures available to LifeArc upon request.

## 9. OBJECTIVES

- 9.1. The Recipient shall (and shall not engage in, or acquiesce to, any agreement or arrangement which would hinder or frustrate the ability of the Recipient to) use reasonable efforts in a sustained and diligent manner to conduct the Research Programme, and to facilitate the further development and commercialisation of any Arising IP, in furtherance of LifeArc's Charitable Purposes.
- 9.2. The Recipient shall seek to publish or otherwise disseminate research findings of the Research Programme to the broader scientific community, provided that it first obtains the prior written consent of LifeArc to any such publication or dissemination, and such publication and dissemination may be delayed for a reasonable period in order to protect Intellectual Property in the corresponding Background IP and/or Arising IP and/or as may be necessary to facilitate the further development and commercialisation of any Arising IP, in furtherance of LifeArc's Charitable Purposes.

## 10. TRANSFER AND CESSATION OF FUNDING

- 10.1. Where the Lead Researcher transfers to another institution, the Funding may only transfer to that institution with the consent of LifeArc, the Recipient and the new institution, and only if the new institution agrees to be bound by the Funding Terms and Conditions. LifeArc may require that any Funding monies provided to the Recipient and not expended (or irrevocably committed) before the transfer date, together with any equipment fully funded by the Funding, transfers with the Lead Researcher to the new institution.
- 10.2. In the event that the Lead Researcher ceases to act as a lead researcher (for any reason) on the Research Programme (including, but not limited to, if the cessation occurs as a result of the Lead Researcher transferring to another institution and the Funding does not transfer further to clause 10.2), the Recipient shall provide a suitably qualified replacement for the Lead Researcher and shall obtain the prior written consent of LifeArc as to the identity of such replacement (such approval not to be unreasonably withheld). If the Recipient and LifeArc cannot agree on the identity of the replacement Lead Researcher and LifeArc refuses to grant its consent, then LifeArc shall be entitled to (i) terminate the Funding and cease to make available any unpaid part of the Funding and (ii) require the Recipient to repay to LifeArc on demand the paid part of the Funding that has not been legitimately expended (or otherwise legitimately irrevocably committed for expenditure) before the date that the Lead Researcher gave notification of the intention to cease work on the Research Programme. LifeArc may also require that the Recipient suspends work on the Research Programme (and the expenditure of Funding monies) while the Recipient and LifeArc agree the identity of the replacement Lead Researcher.
- 10.3. In the event that:
  - 10.3.1. the Recipient materially breaches the Funding Terms and Conditions (including, for the avoidance of doubt, in respect of clause 3.2);
  - 10.3.2. the Recipient or any Research Programme Participant goes into administration or receivership, liquidation or bankruptcy, or if there is any change to the status or ownership of the Recipient or any Research Programme Participant that might affect the ability of the Recipient to comply with the Funding Terms and Conditions;
  - 10.3.3. the Research Programme is modified or amended in any material respect without the written consent of LifeArc;
  - 10.3.4. LifeArc (after discussion with the Recipient to the extent that the Recipient has made itself promptly available for such discussions) concludes that, in the opinion of LifeArc, a Serious Incident has occurred or that the Research Programme is otherwise being delivered in a negligent manner; or
  - 10.3.5. LifeArc (after discussion with the Recipient to the extent that the Recipient has made itself promptly available for such discussions) concludes that, in the opinion of LifeArc, any of the agreed Milestones are not likely to be achieved (by the relevant Milestone Date



as applicable) and LifeArc elects (in its sole discretion) in writing not to waive such Milestones (or to agree to changes to the Research Programme in respect of such Milestones),

LifeArc shall have the right to (i) terminate the Funding and cease to make available any unpaid part of the Funding (apart from, in the instance of an event under clause 10.3.5 only, any part of the Funding that has been legitimately irrevocably committed for expenditure in line with the agreed Research Programme before the date of such event) and (ii) require the Recipient to repay to LifeArc on demand the paid part of the Funding that has not been legitimately expended (or otherwise legitimately irrevocably committed for expenditure) before the date of such event.

- 10.4. In the event of termination of the Funding for any reason, the Recipient and LifeArc shall, where requested by LifeArc, agree in good faith a comprehensive termination plan to account for, among other things, the proper wind up of the Research Programme (and the Recipient and LifeArc shall discuss in good faith the potential publication of the Research Programme and Arising IP as part of the said termination plan), and the Recipient shall then use reasonable efforts to complete the said termination plan promptly and professionally.

## 11. REPAYMENT, RESEARCH MISCONDUCT AND FRAUD

- 11.1. Save as provided by clauses 2.4 and 10 and this clause 11, the Recipient shall have no liability or obligation with respect to the repayment of the Funding.
- 11.2. The Recipient shall promptly repay to LifeArc any funding incorrectly paid to it either as a result of an administrative error or otherwise.
- 11.3. The Recipient shall notify LifeArc at the earliest opportunity after becoming aware of any allegations of research misconduct and/or fraud connected in any way with the Research Programme, as well as the progress and outcome of any ensuing investigation into the misconduct. LifeArc shall treat all information received from Recipient pursuant to this clause 11.3 as the Recipient's Confidential Information.
- 11.4. Without limiting clause 10.3, in the event of any research misconduct or fraud by the Recipient (or any Research Programme Participant, the Lead Researcher or any individual working on the Research Programme) connected in any way with the Research Programme, LifeArc shall also have the right to: (i) terminate the Funding and cease to make available any unpaid part of the Funding and (ii) require the Recipient to repay to LifeArc on demand all of the Funding paid to the Recipient (regardless of whether such funds had been expended or otherwise irrevocably committed for expenditure).

## 12. LIABILITY AND INDEMNITY

- 12.1. LifeArc accepts no responsibility, financial or otherwise, for expenditure or liabilities arising out of the Research Programme other than those specifically set out in the Funding Terms and Conditions. Notwithstanding any other provision in the Funding Terms and Conditions, LifeArc shall not be liable to the Recipient for any amount in excess of the amount of the Funding. Without limiting the foregoing, LifeArc will not be liable for and shall not indemnify the Recipient, the Lead Researcher or any other person working on the Research Programme against any claims for compensation (including, but not limited to, redundancy) or against any claims for which the Recipient may be liable as an employer.
- 12.2. The Recipient shall indemnify and keep fully indemnified LifeArc and its Affiliates (together with each of their directors, officers, employees, consultants, advisors and partners) (each an "**Indemnified Person**") from and against all losses (including fines, penalties, damages and liabilities payable or owing to any person) together with all costs and expenses (including legal and other professional fees) ("**Losses**") which may be suffered or incurred by an Indemnified Person arising out of, or in connection with, any claim or regulatory action threatened or made (whether or not involving any legal action or proceedings) by any person (howsoever arising) against any Indemnified Person arising from or occurring as a result of the conduct of the Research Programme (a "**Third Party Claim**"), except if and to the extent such Third Party Claim is the result of the Indemnified Person's gross negligence or wilful misconduct.

### 13. VAT

The Parties consider that no amount of the Funding is consideration (as described by HMRC in their VAT Manual VATSC05100) paid by LifeArc to the Recipient in return for supplies (as defined in Section 5(2)(a) of the VAT Act 1994) made by the Recipient, those supplies being subject to VAT at the standard rate. However, HMRC may disagree. In that instance, LifeArc shall have no liability in relation to any VAT, default interest and penalties that HMRC may levy on the Recipient.

### 14. DATA PROTECTION

14.1. The Recipient explicitly accepts that:

14.1.1. all information that the Lead Researcher and/or any individual working on the Research Programme and/or Recipient supply to LifeArc relating to the Funding and the Research Programme, including in the applications for funding and/or reports submitted to LifeArc or otherwise obtained by LifeArc in accordance with Funding Terms and Conditions, will be used for the purposes of processing the Funding, for the purpose of audit and/or evaluation of the Funding and for the purpose of assessing the charitable benefit arising from LifeArc's provision of the Funding. LifeArc and the Recipient shall comply with their obligations under Data Protection Laws. Any data protection terms in this clause 14 shall have the meanings given to them in the Data Protection Laws. Personal Data relating to individuals funded by the Funding may be disclosed to and processed by external peer reviewers, some of whom may be based outside the United Kingdom and/or European Economic Area.

14.1.2. LifeArc may publish: (i) the name and place of work of the Lead Researcher and others funded by LifeArc under the Funding; and (ii) the title and a non-confidential abstract of the subject matter of the Funding, on its website or in its annual report or other publications reporting LifeArc's charitable activities from time to time; and

14.1.3. LifeArc and the Recipient agree that any processing operations under Funding Terms and Conditions conform to the description set out in clause 17.

14.2. Each Party acknowledges that no Personal Data will be shared by LifeArc to the Recipient, if and to the extent that any Personal Data is shared by LifeArc the Parties shall enter into an appropriate agreement in compliance with Data Protection Laws.

### 15. MISCELLANEOUS

15.1. Each Party confirms that the Funding Letter, which includes the Funding Terms and Funding Conditions, has been properly executed by it and comprises a valid and legally binding obligation enforceable against it in accordance with the Funding Terms and Conditions and it has all rights, powers and authorities to accept the Funding and perform the Research Programme in accordance with the Funding Terms and Conditions without the consent, approval of any authority or other person.

15.2. Save for as provided in clause 10.1, the Recipient may not transfer to any third party any of its rights, interests or obligations under the Funding Terms and Conditions without the prior written consent of LifeArc. LifeArc may assign or transfer the whole or any part of its rights, interests or obligations under the Funding Terms and Conditions to any Affiliate of LifeArc.

15.3. No failure or delay by any Party in exercising any right or remedy under the Funding Terms and Conditions will operate as a waiver of such right or remedy, nor will any single or partial exercise or waiver of any such right or remedy preclude its further exercise or the exercise of any other right or remedy.

15.4. The Funding Terms and Conditions constitutes the entire understanding between the Parties regarding provision and acceptance of the Funding and supersedes any prior arrangements, understandings, promises or agreements made or existing between the Parties in relation to provision and acceptance of the Funding. However, nothing in the Funding Terms and Conditions purports to exclude liability for fraudulent misrepresentation.

- 15.5. No addition, amendment, modification or waiver of any term of the Funding Terms and Conditions will be effective unless it is in writing and signed by or on behalf of both Parties.
- 15.6. If any provision of the Funding Terms and Conditions is or becomes invalid, or is ruled illegal by any court of competent jurisdiction or is deemed unenforceable under then current applicable law from time to time in effect during the period of Funding, it is the intention of the Parties that the remainder of the Funding Terms and Conditions will not be affected thereby provided that the Parties' rights under the Funding Terms and Conditions are not materially altered. It is further the Parties' intention that in lieu of each such invalid, illegal or unenforceable provision, there will be substituted or added as part of the Funding Terms and Conditions a valid, legal and enforceable provision which in effect will be as similar as possible to the effect of the original invalid, illegal or unenforceable provision.
- 15.7. Any notice to be given under the Funding Terms and Conditions shall be in English, in writing and shall be delivered:
- 15.7.1. by Royal Mail signed for first class mail (if sent to an inland address) or by international courier (if sent to an address outside of the United Kingdom) to the individuals and addresses set out in part 2 of the Funding Terms; or
  - 15.7.2. by email to either Party to the email address set out in the part 2 of the Funding Terms; or
  - 15.7.3. such other address or email address as that a Party may from time to time notify to the other Party.
- 15.8. Notices sent as above shall be deemed to have been received on:
- 15.8.1. the day of sending in the case of delivery by email (provided such email is sent during the normal working hours of the recipient and the sender does not receive an out-of-office, message undelivered or other auto-reply);
  - 15.8.2. one (1) working day after the day of posting in the case of delivery inland by Royal Mail signed for first class mail; or
  - 15.8.3. five (5) working days after the date of collection by the international courier.
- 15.9. An Indemnified Person may, with the written consent of LifeArc, enforce the provisions of clause 12.2.
- 15.10. Save as provided in clause 15.9, a person who is not a party to this Agreement shall not have any rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any provision of the Funding Terms and Conditions.
- 15.11. The Funding and the Funding Terms and Conditions shall not create a legal partnership between LifeArc and the Recipient. The Recipient shall not hold itself out as LifeArc's agent, and shall not be entitled to bind LifeArc in respect of any third party.
- 15.12. The Funding and the Funding Terms and Conditions shall be governed by, and construed in accordance with, the Laws of England and Wales. The English courts shall have exclusive jurisdiction in relation to any dispute arising under, or in connection with, the Funding and/or the Funding Terms and Conditions, provided that a judgment or order of the English courts may be enforced in any court of competent jurisdiction.

## 16. DEFINITIONS AND INTERPRETATION

- 16.1. In the Funding Terms and Conditions, the following terms shall, unless the context otherwise requires, have the following meanings:

**"Affiliate"** means, with respect to any undertaking, any of its group undertakings;

**"AMRC Guidelines"** means the guidelines of the Association of Medical Research Charities relating to intellectual property terms and conditions, as may be amended from time-to-time,

which on the date of the Funding Letter can be found at [www.amrc.org.uk/Handlers/Download.ashx?IDMF=ed8734fb-68ad-4c57-8641-f6e817046625](http://www.amrc.org.uk/Handlers/Download.ashx?IDMF=ed8734fb-68ad-4c57-8641-f6e817046625);

**"Animal Welfare Policy"** means a programme or code of conduct which adopts the '3 R's' approach to ensuring high quality scientific research, those being:

- (i) Replacement – promoting the use of other methods;
- (ii) Reduction – reducing the number of animals used; and
- (iii) Refinement – minimising pain, suffering, distress or lasting harm, as well as improving the welfare of the animals used;

**"Application"** means the application submitted by the Recipient to, and accepted by, LifeArc for funding, as further described in part 1 (Funding Details & Notices) of the Funding Terms;

**"Arising IP"** means the Technical Information and Intellectual Property:

- (i) partly or wholly funded by the Funding; and
- (ii) conceived, discovered, generated, developed or otherwise made in the conduct of the Research Programme;

**"Associated Projects"** means any collaboration, service or other arrangement that may exist at any time between LifeArc and the Recipient and/or any of the Research Programme Participants;

**"Background IP"** means Technical Information and Intellectual Property of the Recipient (or its licensors) that is utilised in the Research Programme, other than the Arising IP;

**"CF AMR Syndicate"** means the collaborative alliance in relation to cystic fibrosis and antimicrobial resistance led by Medicines Discovery Catapult, Cystic Fibrosis Trust and LifeArc;

**"Collaboration Agreement"** means a collaboration agreement (or similar agreement) between the Recipient and any Research Programme Participant(s) in relation to the Research Programme;

**"Confidential Information"** means Technical Information of a confidential nature (including, without limitation, information communicated orally, electronically or in writing) relating to the Research Programme and which is (as between the Parties) proprietary to the Recipient. For the avoidance of doubt, the existence of the Research Programme, the Funding Terms and Conditions and grant of the Funding are not Confidential Information of the Recipient;

**"Data Protection Laws"** means any and all legislation in any jurisdiction applicable in force from time to time relating to the use, protection or privacy of Personal Data including:

- (i) the Data Protection Act 2018;
- (ii) the UK GDPR;
- (iii) the Privacy and Electronic Communications Regulations 2003; and
- (iv) any legally binding regulations, direction and orders issued from time to time under or in connection with any such legislation;

**"Dealing"** means:

- (i) any assignment, transfer, hypothecation, sale or other disposal;
- (ii) the granting of any right, title or interest (including by way of licence, permission, consent, authorisation or encumbrance);
- (iii) entering into any agreement, arrangement or undertaking not to enforce any right or restriction; or
- (iv) any other transaction or dealing;

**"Drawdown Notice"** means written notice which must include:

- (i) the amount of the available Funding to be then paid;
- (ii) confirmation and supporting evidence (including a report in accordance with clause 5.3.1, unless waived by LifeArc) acceptable to LifeArc that all Milestone(s) with respect thereto have been satisfied (or waived by LifeArc); and

(iii) details of the bank account in the name of the Recipient to which such amount is to be paid;

**"Exploitation Revenue"** means any and all consideration received by Organisation from the commercial exploitation of the Arising IP, including licence fees, revenues from sales, option fees, up-front fees, royalties, minimum royalties or milestone payments, sub-licence initiation fees or any other monetary or in-kind compensation received by Organisation from the licensing or commercialisation or other disposition of the Arising IP in forms including but not limited to monies, shares or options. For clarity, Exploitation Revenue excludes any monies paid specifically to fund the undertaking of research, including but not limited to any additional funding required to undertake the Research Programme;

**"Final Report"** means a report detailing the work undertaken in the Research Programme, the Arising IP and the findings and conclusions arising therefrom;

**"Funding"** means the funding provided by LifeArc to the Recipient to support the Research Programme, as further defined in part 4 of the Funding Terms;

**"Funding Conditions"** means the funding conditions set out in this document;

**"Funding Letter"** means the letter sent by LifeArc to the Recipient setting out the offer of the Funding;

**"Funding Terms"** means the details and terms set out in Schedule 1 of the Funding Letter;

**"Funding Terms and Conditions"** means collectively the Funding Letter, Funding Terms and Funding Conditions;

**"Intellectual Property"** means any and all Patent Rights, trade marks, trade secrets, service marks, rights (whether registered or unregistered) in any designs, applications for any of the foregoing, trade or business names, internet domain names, copyright (including rights in computer software), know-how, processes, lists of suppliers and customers and other rights in respect of confidential or proprietary knowledge or information, rights protecting goodwill and reputation, database rights and all rights or forms of protection of a similar nature or having equivalent effect anywhere in the world and rights under licences and consents in respect of any of Intellectual Property;

**"Lead Researcher"** means the lead researcher listed in part 1 (Funding Details & Notices) of the Funding Terms;

**"LifeArc's Charitable Purposes"** means the objects of LifeArc as a charity which are: (i) to promote the public benefit by improving human health and medical research in particular by assisting the progress of the scientific discoveries and new technologies arising from research into therapeutic treatments, drugs, diagnostics, other technologies or information resources and (ii) to work with industry, charities, universities, the health service and other relevant bodies as well as conducting its own research and development as needed to accelerate the progress of these discoveries and technologies to the stage at which they are (a) capable of being made generally available to the medical profession and the public for practical application for the improvement of health and/or (b) are transferred or licenced to a third party to progress development of such discoveries or technologies toward such goals; or as such objects may be amended by LifeArc from time to time;

**"Milestone(s)"** means the milestones listed in part 4 (Funding Amount & Milestones) of the Funding Terms (including any agreed amendments or waivers thereof);

**"Milestone Date"** means the date by which a Milestone is to be achieved listed in part 4 (Funding Amount & Milestones) of the Funding Terms (including any agreed amendments or waivers thereof);

**"Organisation"** shall mean Recipient together with its TTO (if applicable);

**"Party"** means (as applicable) LifeArc or Recipient and **"Parties"** means both them;

**"Patent Rights"** means any and all:

(i) patents;

- (ii) pending patent applications, including all provisional applications, continuations, continuations-in-part, divisions, reissues, renewals, and all patents granted thereon;
- (iii) all patents-of-addition, reissue patents, re-examinations and extensions or restorations by existing or future extension or restoration mechanisms, supplementary protection certificates or the equivalent thereof; and
- (iv) any equivalent of any of the foregoing in any jurisdiction;

**"Permitted Purpose"** means disclosure and/or use in connection with:

- (i) the monitoring and evaluation of the Research Programme and Arising IP;
- (ii) the grant and administration of the Funding; and/or
- (iii) the enjoyment and exercise of the rights conferred under, the performance of, and/or the enforcement of, the Funding Terms and Conditions;

**"Personal Data"** means any information relating to an identified or identifiable living individual;

**"Recipient"** means the entity to which the Funding Letter is addressed;

**"Research Programme"** means the research programme, which shall be required to fall within the scope of LifeArc's Charitable Purposes, as set out in the Application (including any agreed amendments thereof), summary particulars of which are set out in part 3 (Outline of Research Programme) of the Funding Terms;

**"Research Programme Participant"** means any person (other than the Recipient and LifeArc) working in any capacity on the Research Programme, providing any facilities in relation to the Research Programme, receiving any Funding monies and/or providing access to proprietary materials (including Background IP);

**"Safeguarding"** means protecting from harm those who come into contact with the Research Programme, including but not limited to beneficiaries, staff and volunteers, and including adults at risk and children;

**"Serious Incident"** means an incident which, in the reasonable opinion of LifeArc, is likely to satisfy the criteria set out in the guidance of the Charity Commission for England and Wales on 'what to report' ([How to report a serious incident in your charity - GOV.UK \(www.gov.uk\)](https://www.gov.uk/guidance/how-to-report-a-serious-incident-in-your-charity));

**"Technical Information"** means all technical, scientific and other know-how and information, inventions, trade secrets, knowledge, technology, means, methods, processes, practices, formulae, instructions, skills, techniques, procedures, experiences, ideas, technical assistance, chemical structures and associated data, designs, drawings, assembly procedures, computer programs, apparatuses, specifications, data, results and other material (whether or not confidential, proprietary, patented or patentable) in written, electronic or any other form now known or hereafter developed;

**"TTO"** shall mean technology transfer office of the Recipient (or equivalent body, howsoever constituted, if legally separate from the Recipient); and

**"UK GDPR"** means Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of Personal Data and on the free movement of such data, as it forms part of the law of England and Wales, Scotland and Northern Ireland by virtue of section 3 of the European Union (Withdrawal) Act 2018.

16.2. Unless the context otherwise requires, the following rules of interpretation shall apply to the Funding Terms and Conditions:

16.2.1. words in the singular include the plural and in the plural include the singular;

16.2.2. use of any gender includes the other genders and neuter;

16.2.3. the terms **"undertaking"** and **"group undertaking"** shall have the meanings given thereto in the Companies Act 2006;

- 16.2.4. references to a “**person**” shall be construed so as to include any individual, firm, body corporate, Authority, joint venture, association, undertaking, partnership or limited partnership (whether or not having separate legal personality);
- 16.2.5. references to Schedule means a schedule attached to the Funding Letter.
- 16.2.6. references to clause means a clause of the Funding Conditions;
- 16.2.7. references in the Funding Terms and Conditions to the word "include" or "including" are to be construed without limitation to the generality of the preceding words; and
- 16.2.8. the Schedules form part of the Funding Terms and Conditions and shall have the same force and effect as if expressly set out in the body of the Funding Terms and Conditions, and any reference to the Funding Terms and Conditions shall include the Schedules.

## **17. DATA PROCESSING**

### **16.1. Subject Matter**

Processing is required for the granting, monitoring, auditing and evaluating the Funding and the Research Programme, including evaluating the charitable benefit arising from the granting of the Funding.

### **16.2. Duration of Processing**

16.2.1. In relation to granting and monitoring the Funding and the Research Programme, the duration of the Funding (as set out in the Funding Terms).

16.2.2. In relation to auditing and evaluating the Funding and the Research Programme, including evaluating the charitable benefit arising from the granting of the Funding, during and after the end of the Funding (as set out in the Funding Terms).

### **16.3. Nature and Purpose of Processing**

Storage and use of the Personal Data collected via applications for funding and/or reports submitted to LifeArc for monitoring, audit and evaluation purposes, and for use in any publications permitted under the Funding Conditions.

### **16.4. Type of Personal Data**

Name, title, work location, qualifications and work experience of Data Subjects.

### **16.5. Category of Data Subjects**

Applicants, co-applicants, principal investigators/Lead Researchers, staff, students and other individuals referenced in the Application and/or involved in undertaking the Research Programme.