

**ALZHEIMER'S RESEARCH UK
REGISTERED CHARITY NO: 1077089**

GENERAL CONDITIONS OF AWARD

AWARD TO: «Host Institution» (“the Institution”)

GRANT REF: «Grant Reference»

SUBJECT: ‘«Grant Title»’

LEAD APPLICANT: «Lead Applicant»

CO-APPLICANT(S): «Co-Applicants New Line»

1. Employment of staff

(i) General

Upon the signing of the Notice of Acceptance of a Grant, the Lead Applicant shall become the “Grant Holder”.

Alzheimer’s Research UK (“ARUK”) does not act as an employer and therefore, in all cases where support is provided for the employment of staff, the host Institution, the «Host Institution» (“the Institution”) undertakes to issue a contract of employment in accordance with the provisions of the Employment Rights Act 1996, and any other relevant Act relating to the conditions of employment. ARUK will not be responsible for claims under any statute or at common law, nor will they indemnify the Institution against any claim for compensation or against any other claims for which the Institution may be liable as an employer.

The Institution must accept full responsibility for the management, monitoring and control (including the requirements of all regulatory authorities governing the conduct of clinical trials and the use of radioactive isotopes, animals, pathogenic organisms, genetically manipulated organisms (GMOs), toxic and hazardous substances and research on human subjects and human embryos of all the clinical research activities funded as the result of the application and all those staff (permanent, temporary and students) employed or involved in any clinical research funded as a result of the application.

The Institution must ensure that all permanent and temporary staff and students employed in or involved in the clinical research activities receive training appropriate to their duties, in accordance with the regulations set down under the GCP, COSHH, ACDP and ACGM guidelines, the Health and Safety at Work regulations and any other regulatory requirements as may apply from time to time.

(ii) Employment of Research Assistants and Other Staff

ARUK will provide the salary and ‘on costs’ as specified in the award letter and under the conditions laid down therein. The nature and duration of any contract issued by the employing Institution will be a matter for the Institution to decide. The tenure of appointment of staff recruited for work under a

grant must be confined strictly to the period of the grant unless the Institution wishes to retain the staff beyond this period for its own purpose, and at its own expense.

The Institution will meet the cost of any long term leave, other than holiday, according to the Institution's local terms and conditions of employment. Long term leave may include maternity, paternity, adoption or long term sick leave. If a staff member to be funded by the grant is due to take long term leave, the Grant Holder should inform ARUK of the date in advance so consideration can be given as to whether the grant should be suspended for the period of absence until employment can be resumed.

If the staff member(s) to be funded by the grant leave(s) the Institution, ARUK must be notified immediately.

The approval of ARUK must be sought before any staff member funded by the grant is replaced.

In cases where staff are employed under a grant, ARUK will automatically pay nationally agreed pay awards up to a ceiling of 5% per annum. It is unlikely that ARUK will agree to requests for additional funds for salary purposes; however the cost of national salary awards will be automatically met by ARUK.

2. Travel/Conferences

Where requests for travel and subsistence in connection with attendance at national/ international meetings are made in the application, and are agreed, they are not separately identified in the award letter but rolled up into an annual consumables budget. Although unrestricted virement between expenditure heads is normally permitted within the consumables budget, the pre-specified travel/conference budget should not be exceeded without permission from ARUK.

If no specific requests for travel and subsistence were made in the original application, the consumables budget may nevertheless be used to cover such costs at the discretion of the Grant Holder. However, in this case, the maximum annual expenditure for these purposes must not exceed £1,000 without specific authorisation from ARUK.

The Grant Holder and any staff employed under the terms of the grant are free to seek (additional) travel grants from other sources.

3. Equipment

Any apparatus/equipment in this grant is donated to the Institution/Department in which the investigator works, solely for the benefit of his or her research and for use solely in medical research, diagnosis or treatment. If the Institution is a registered charity, it is possible to obtain exemption from the payment of VAT for equipment donated for medical research.

Should any ancillary activity be carried out using this equipment for commercial gain (that is use for which charges are levied) then ARUK's prior written approval must be obtained and such agreement may well be conditional and dependent on ARUK sharing in any financial benefit that results.

The general principles embodied in part 4 below concerning the relocation of the Grant Holder and Co-applicants during the tenure of the award will apply also to any equipment provided by the grant.

4. Relocation of Applicants

If the Grant Holder moves to another institution during the tenure of the award, ARUK must be given as much notice as possible. ARUK will negotiate with Grant Holder, Co-applicant and the Institution over subsequent arrangements for the grant.

If the Co-applicant moves to another institution during the tenure of the grant the normal expectation will be that the grant remains with the Grant Holder. However if it is agreed by ARUK, the Grant Holder and the Co-applicants, a part of the grant money may be transferred. ARUK must be informed at once if a Co-applicant plans to relocate, irrespective of whether or not he/ she wishes to transfer part of the grant to a new institution, and the Grant Holder must explain to ARUK how any part of the programme dependent on the input, expertise or facilities, provided by the departing Co-applicant, will be affected by the departure and how they will ensure continued progress of the clinical research activities following such a departure.

If ARUK is not satisfied that the proposed arrangements will adequately provide those parts of the programme with which the departing Co-applicant was especially concerned, it reserves the right to withdraw funding related to those parts of the programme after giving due notice to the Grant Holder and the Institution.

5. Limitations of ARUK's Liability

ARUK accepts no responsibility, financially or otherwise, for the expenditure (or liabilities arising out of such expenditure) or liabilities arising out of the work other than those specifically listed in the formal letter of award and General Conditions of Award. The control of expenditure to be funded under this grant must be governed by the normal standards and procedures of the Institution and must be covered by the formal audit arrangements that exist in the Institution.

Should ARUK terminate a grant before expiration of the period for which it was granted (and provided that the full amount of the grant has not been advanced at that time) it will consider claims to recompense any expenses in respect of redundancy or breach under any contract that results directly from the termination of the grant. The recompense, if any, would not in any case exceed the amount of the grant remaining to be paid to the Institution at the time of the termination of the grant.

In the unlikely event of scientific fraud occurring in association with the grant, it is the responsibility of the Institution to undertake investigations. ARUK agrees to provide funding providing the Institution can produce evidence of a procedure for dealing with scientific fraud. If fraud should be proven the grant must be repaid in full to ARUK forthwith.

6. Financial arrangements

ARUK accepts no responsibility for expenses incurred over and above the amount stated in the award letter. The grant shall not be used for any indirect or overhead costs of the Institution. Reimbursement of costs covered by the grant will only be made by ARUK on receipt of claims certified to be correct by either the chief finance officer or the chief administrative officer of the Institution. Verified invoices for actual costs should be submitted each quarter in arrears to finance@alzheimersresearchuk.org. Invoices should be made in accordance with the funds requested in the application form and broken down into the following categories: salaries, equipment, animals and running costs. The grant reference «Grant Reference» should be quoted on the invoice. If this procedure is inconvenient, ARUK's Head of Research should be contacted. The final claim will only be accepted if it is submitted within nine months of the end of the grant period subject to a satisfactory final report.

The approval of ARUK must be sought before virements are made between categories.

ARUK reserves the right to inspect, take copies of, and have audited at its expense, the financial records of the Institution in relation to claims for reimbursement. The Institution will be responsible for ensuring that this right of ARUK extends to the records of any other institution utilising any part of the grant awarded to the Institution.

7. Patents and Commercial Activities

All results of the clinical research activities, and the intellectual property rights in such results and the product or method that is the subject of the relevant clinical trial, in relation to which ARUK has made a grant, must be considered for protection by the appropriate authority within the Institution if it has not already been protected. Publication of the research findings must be delayed until such consideration and until patenting, if there is to be such. However, no unnecessary delay should be allowed to occur before publication is sought. If the delay in seeking publication of findings is likely to be more than six months from the termination of the grant, ARUK's prior written approval must be obtained. It is expected that everyone working on the project funded by ARUK will be retained on terms that vest in the Institution all intellectual property rights.

Neither the results of the clinical research, nor the product or method that is the subject of the relevant clinical trial, may be commercially exploited in any way without the prior written agreement of ARUK, such agreement not to be unreasonably withheld. Because the proportion of ARUK's investment in the clinical research relative to the overall costs of commercially exploiting such results, product or method cannot be determined easily in advance, the respective returns due to any party providing funding will be negotiated once a clinical research outcome has been identified and a decision to exploit commercially has been made. ARUK would normally expect co-funders/partners to follow the guidelines of the Association of Medical Research Charities (AMRC) concerning fair proportions for revenue sharing after deduction of the costs of protection[and pre-clinical research and development]. The Institution will provide detailed financial reports to the extent that it is not prevented by obligations of confidence showing the investment made in the clinical research. Should it not be possible to reach agreement concerning the relative shares in any income, then the matter will be referred to the AMRC Scientific Advisory Committee for arbitration or resolution.

Save as set out below in the case of co-funded clinical research, no individual involved in the clinical research nor the Institution may enter into any arrangements with any commercial enterprise that will, in any way, allow the commercial exploitation of any knowledge gained as a result of the clinical research being funded, or the product or method that is the subject of the relevant clinical trial without first obtaining ARUK's authority in writing, such agreement not to be unreasonably withheld. Neither may any individual nor the Institution enter into confidentiality agreements or use materials or compounds (not obtained commercially), where any other party would place restriction on the publication of, or obtain prior knowledge of the clinical research findings other than those relating specifically to the materials or compounds supplied.

The Institution must apply with full rigour all the relevant arrangements, as may from time to time be mutually agreed between ARUK and the Institution, for the protection of any patentable intellectual property rights arising from any clinical research funded as a result of the application. However if the Institution decides not to proceed with the protection of any patentable intellectual property rights or with commercial exploitation, they will tell ARUK as soon as practicable without making any public disclosure which may compromise the patentability of such intellectual property rights and they will fully co-operate (and ensure that their employees co-operate) with ARUK so that ARUK will have an unreserved and unrestricted right (but not a duty) to seek patent protection and an unrestricted right of commercial exploitation (by its own hand or through its agent) and at its own cost. Should it not be possible to reach agreement concerning the relative shares in any income, then the matter will be referred to the AMRC Scientific Advisory Committee for arbitration or resolution. ARUK undertakes to enter into agreement with the Institution as to the Institution's share of any resulting net profit or benefit, the share to reflect the relative contributions of ARUK and the Institution to the funding of the clinical research, and to the exploitation.

Where a clinical trial is supported in any way by a commercial entity, the sponsoring Host Institution shall be responsible for negotiating any agreements with such commercial entity, provided that where the Host Institution intends to grant such entity any rights in respect of the results and/or the product or method that is the subject of the relevant clinical trial:

- i. the Host Institution notifies ARUK of such commercial interest as soon as practicable; and
- ii. the Host Institution leads the negotiations with the commercial entity, but regularly consults with ARUK and incorporates all reasonable amendments relating to such grant of rights that it may suggest.

Such agreement should normally be put in place before the relevant clinical trial has been started. The Host Institution will promptly notify ARUK following receipt by the Host Institution of any monetary consideration from a commercial entity in respect of rights granted to clinical trial results. Following such notification, the Host Institution will negotiate and enter into an appropriate revenue sharing agreement with ARUK under which it will share with ARUK a fair proportion of such monetary consideration (which shall at least reimburse ARUK for the corresponding amount of funding it has provided in support of the relevant Clinical Trial, whether in respect of the set-up/management of the trial or any other costs).

8. Termination of a Grant

When ARUK makes a grant, it reserves the right, without notice, to terminate it should it so wish. In the event of such termination by ARUK, or in the event of termination of the funded clinical research activities due to any serious adverse reaction or for any other safety, efficacy, regulatory or ethical reasons, ARUK will reimburse the Institution for expenditure properly incurred under the award up to termination date, but will not in any event be responsible for, nor indemnify the Institution against any of the matters referred to in condition 1. See also condition 5.

9. Acceptance of the Grant

It is a condition of the award that the Institution agrees to accept and administer the award. Thus all financial reporting and contractual matters will be between ARUK and the Institution. Before a grant may be activated, the Institution must accept, and agree to abide by, the "General Conditions of Award" and any other conditions specified in the award letter. A form for this purpose will be provided. This form must be signed by a senior staff member who has the authority to commit the Institution to such an agreement.

The conditions must be specifically agreed and accepted by other Institutions/Departments in which work under the grant is undertaken and/or individuals supported by the grant are employed. It will be the responsibility of the Institution to ensure that this condition is met.

10. Progress Reports

It is a condition of the grant that ARUK receives updates on the outputs and progress of a grant annually for the duration of the grant and beyond this. Impact and progress reporting are normally handled through Researchfish. ARUK will be responsible for informing the Grant Holder of when impact and progress reports are due. In addition, the Grant Holder may be required to provide a breakdown of the expenditure of all monies provided on the grant. Failure to submit an impact and progress report or a requested expenditure breakdown may cause ARUK to refuse to consider further grant requests.

11. Amendment to Conditions

Grants awarded by ARUK are subject to the General Conditions of Award at the time that the grant is awarded. ARUK reserves the right to change the Conditions of Award from time to time after

discussion with the Institution. If for any reason during the lifetime of the grant an amendment is made to the Award, ARUK reserves the right to apply the then current Conditions of Award at the time of the amendment, after discussion with the Institution.

12. Insurance Policies

12.1

The Institution shall maintain in force the following insurance policies with a reputable insurance company with a credit rating of not less than "A" from Standard & Poor's (or an equivalent rating from another reputable ratings agency approved by ARUK):

12.1.1

statutory employer's liability insurance and, where required, workers compensation insurance (or the closest local equivalent) with a limit of not less than ten million pounds sterling (£10,000,000) for any one occurrence or claim in respect of employer's liability; and

12.1.2

public and product liability insurance in respect of any injury to, and any sickness or death of persons, or damage to tangible property and any subsequent financial loss, whether or not arising from the funded clinical research activities, with a limit of not less than two million pounds sterling (£2,000,000) for any one occurrence or claim in respect of public and product liability;

and shall ensure that a generic interest clause and an indemnity to principals clause has been included on such policies and shall, upon the written request of ARUK from time to time, provide a certificate signed by the Institution's insurer or such insurer's appointed agents confirming that the Institution is insured in accordance with this clause 0 together with evidence that the relevant premiums have been paid.

12.1.3

material damage insurance protecting the Property and Assets relevant to the Grant Award against Loss or Damage normally associated with a Commercial All Risks Policy including, but not limited to Fire, Theft, Accidental Loss or Damage and Terrorism

12.2

The Institution shall, during the term of this agreement, and for a period of one year thereafter:

12.2.1

administer the insurance policies and the Institution's relationship with its insurers at all times to preserve the benefits for ARUK set out in this clause 12;

12.2.2

do nothing to invalidate any such insurance policy or to prejudice ARUK's entitlement thereunder; and

12.2.3

procure that the terms of such policies are not altered in any way that may diminish the benefit to ARUK of the policies.

12.3

If the Institution does not at any relevant time have in place insurance as required by this clause 12, ARUK shall be entitled, but not obliged, upon written notice to the Institution to effect and maintain such insurance on the Institution's behalf and at the Institution's cost, and the Institution hereby authorises ARUK to act on its behalf for this purpose.

In addition to the insurance policies specified in clause 12 above, ARUK also requires the sponsor to provide a no-fault compensation scheme for participants in an ARUK-funded clinical trial as per the relevant local ethics committee approval. ARUK does not provide indemnity cover for or accept any liability for harm to participants in any ARUK-funded trial where the Institution or a third party is the Sponsor of the relevant clinical trial. For the avoidance of doubt, ARUK is not, and shall not be deemed to be, the Sponsor of the clinical trial.

October 2018 revision

Appendix

ALZHEIMER'S RESEARCH UK GRANT: «Grant Reference»

Funding for «Lead Applicant» on *the project* '«Grant Title»'

Costs: «Grant Duration months» months, «Grant Start Date» to «Grant End Date»

«Contract Budget Table»

ALZHEIMER'S RESEARCH UK

NOTICE OF ACCEPTANCE OF A GRANT

Grant reference: «Grant Reference»

Title of Grant: '«Grant Title»'

Lead Applicant: «Lead Applicant»

I accept and certify that I am authorised to accept the above grant from Alzheimer's Research UK on behalf of:

«Host Institution»

«Host Inst Contract Address New Line»

under the conditions specified in the award letter and the "General Conditions of Award" document appended to the award letter, copies of which I have read.

Signed

Name

Position

Date