

Animal Free Research UK Policies, Regulations and Conditions of Support for the Summer Student Programme

1. Introduction

- 1.1 Animal Free Research UK is a registered charity, established in 1970 to promote the development of techniques and procedures to replace the use of living animals in biomedical research and teaching. To further this aim, Animal Free Research UK supports and assists scientists to discover and develop techniques that will replace, in full or in part, experiments on living animals; assists in the provision of facilities and equipment for such research; and encourages through publicity and education the wider adoption of such techniques.
- 1.2 In practice, Animal Free Research UK accepts that it is not always the case that the direct or immediate outcome of a single piece of research will be the complete replacement of animal procedures in a certain field. However, the projects that Animal Free Research UK fund must have the potential to advance the development, validation or application of non-animal methods in biomedical research or teaching, as replacements for current animal experiments.
- 1.3 Animal Free Research UK wishes to encourage such research by making funds available for undergraduate students or recently graduated students to undertake studentships of eight (8) weeks in duration during the summer holiday period including taking part in a Summer School activity ('**Summer Student Programme**').
- 1.4 For the avoidance of doubt, the term animal is defined as any organism of the Kingdom Animalia (excluding humans).

2. Definitions

For the purpose of these Conditions, the following definitions shall apply:

- 2.1 '**Animal**' shall mean any organism of the Kingdom Animalia (excluding humans).
- 2.2 '**Background Intellectual Property**' shall mean any Intellectual Property, other than Foreground Intellectual Property.
- 2.3 '**Conditions**' shall mean all conditions applying to any Animal Free Research UK-Funded Activity, including, for the avoidance of doubt, those contained in this document, as well as any other terms Animal Free Research UK may apply to a specific grant.
- 2.4 '**Funded Activity**' shall mean the research activity or equipment purchase that Animal Free Research UK has agreed to fund in part or in full in accordance with these Conditions.
- 2.5 '**Foreground Intellectual Property**' shall mean any Intellectual Property that is identified or first reduced to practice or writing in the course of a Funded Activity.
- 2.6 '**Grant Holder**' shall mean the applicant awarded a grant under these Conditions.
- 2.7 '**Intellectual Property**' shall mean patents and all rights to apply for a patent, trademarks, service marks, registered designs, copyrights, database rights, design rights, know-how, confidential information, software, applications for any of the above, and any similar right recognised from time to time in any jurisdiction, together with all rights of action in relation to the infringement of any of the above.
- 2.8 '**Policies**' shall mean the policies set out from clause 3 below.
- 2.9 '**Regulations**' shall mean those regulations included below.
- 2.10 '**Summer Student**' shall mean the student whose work is funded in accordance with the Policies and Regulations contained below.
- 2.11 '**Summer Student Programme**' shall mean the research activity that takes place in accordance with these Conditions and is limited to the definition as stated in 1.3 above.

3. Research funded by Animal Free Research UK – Policies

- 3.1 Grants are not available simply in support of non-animal research per se. The research must be directed towards replacing the use of animals in current procedures within the applicant's laboratory and in the wider field.
- 3.2 Research that is directly relevant to human health problems will receive priority consideration. Acceptable approaches may include, but are not limited to, the use of human volunteers (not clinical trials), epidemiology, human cell lines, *ex vivo* or primary human tissues or cells, microorganisms, plants, human sub-cellular components *in vitro*, biophysical and biochemical analytical techniques or *in silico* technology.
- 3.3 Animal Free Research UK shall **not**:
 - (a) support research that requires or involves the use of living animals, animal tissue, animal cells or cell lines in any way, even though the ultimate aim may be to replace their use;
 - (b) fund the purchase or maintenance of animals, animal tissue or animal cell lines for any reason;

- (c) support or fund the purchase of any animal derived biomaterials such as, but not limited to, animal serum, monoclonal or polyclonal antibodies, trypsin, bovine serum albumin, gelatine or collagen even though the aim may be to replace their use;
- (d) subject to 3.4(b) and 3.4(c) below, fund the use of human embryonic or foetal stem cells;
and the Summer Student who is by any means supported by Animal Free Research UK must not be involved in any way in such research or activities for the duration of the Funded Activity.

3.4 Animal Free Research UK shall **only** consider funding research:

- (a) using human cells, if the applicants have provided evidence of cell authentication or incorporate an authentication protocol to eliminate the possibility of misidentification or cross-contamination of cell lines, and comply with Good Cell Culture Practice. Guidance on Good Cell Culture Practice can be downloaded from the [Animal Free Research UK Website](#) or from [ECVAM - Good Cell Culture Practice Task Force Report 2, 2005, ATLA 33, 261-287](#);
- (b) using human foetal tissues, cells, cell lines or embryonic tissues, cells, cell lines, if these have been freely donated by the consenting individual or derived from freely donated consenting individuals and/or their nominated and ethical provider/source. The applicant must provide details of the ethical and consent aspects of donation. Research using human embryonic or foetal stem cells will not be funded. Embryonic and foetal tissue and cell research remains a contentious issue, if you have any concerns or doubts about their use please contact Animal Free Research UK;
- (c) using human placenta, amnion, and umbilical cord, if these have been freely donated by the consenting individual and/or their nominated and ethical provider/source following normal full-term births, miscarriage or stillbirth. The applicants must provide details of the ethical and consent aspects of donation when submitting their application.

4. Employment

- 4.1 The relationship between Animal Free Research UK and the Grant Holder is intended to be and shall be one of grant-maker and grant-recipient, and shall not be an employment relationship. Neither Grant Holder nor the Summer Student shall be regarded as employees of Animal Free Research UK.
- 4.2 Animal Free Research UK can accept no responsibility, financial or otherwise, for expenditure or liabilities arising out of work other than those expressly applied for in an applicant's application form.
- 4.3 In particular, Animal Free Research UK shall not be liable for any liability the Grant Holder or their employers may incur towards the Summer Student (including, but not limited to, statutory maternity or paternity pay, statutory sick pay, statutory redundancy pay or compensation for breach of statutory rights).
- 4.4 Animal Free Research UK does not award full economic costs, and will not provide funds for indirect costs, such as institutional or departmental overheads or administrative charges, or costs of financial, personnel, secretarial, cleaning services, travel costs (including conference attendance and travel) or basic utilities.
- 4.5 Animal Free Research UK does not accept applications from students who would like to be funded directly themselves through an award.

5. Currency

Invoices received in a currency other than GBP Sterling (£) shall be paid at a prevailing exchange rate of Animal Free Research UK's choice.

6. Change of personnel, research direction or research location

- 6.1 The Grant Holder must inform Animal Free Research UK immediately if the Funded Activity is to cease or has ceased before the expiry of the grant.
- 6.2 The Grant Holder must inform Animal Free Research UK immediately if they or the Summer Student ceases their involvement in the Funded Activity or expresses an intention to do so before the expiry of the grant.
 - (a) Any change in the student named on the application form must also be communicated to Animal Free Research UK immediately and before the start of the Funded Activity.
- 6.3 Animal Free Research UK should be informed immediately if the Grant Holder or Summer Student goes on long term absence, such as, but not limited to, maternity or paternity leave, or is absent due to illness for more than two (2) weeks.
- 6.4 Animal Free Research UK must be consulted in advance about any change in the direction or location of the research.

7. Termination of the award

- 7.1 A grant may be terminated, or its conditions varied at any time, at the absolute discretion of Animal Free Research UK, with immediate effect.
- 7.2 Animal Free Research UK shall reimburse expenditure incurred under the award up to the date of termination, and any expenditure irreversibly committed at the date of notice of Termination save that irreversibly committed expenditure shall not be reimbursed by Animal Free Research UK where termination is made in accordance with Clauses 7.3 or 7.4 below, or where the Grant Holder or Summer Student has not complied with the terms of these Policies, Regulations and Conditions.
- 7.3 Contravention of any of Animal Free Research UK's Policies, Regulations or Conditions will result in immediate termination or suspension of the grant, and if applicable, the Grant Holder will be required to repay part or the entire grant already advanced. If Animal Free Research UK discovers after the end of a research project that a contravention occurred, repayment of part or the entire grant will be required.
- 7.4 Any Grant Holder and/or Summer Student whose progress or conduct does not satisfy Animal Free Research UK, or any act or failure to act which, in the opinion of Animal Free Research UK, has caused or is likely to cause damage to its reputation, are liable to have their awards terminated. It will be at the discretion of Animal Free Research UK whether, in any such case, repayment of some or the entire grant will be required.

8. Publications and acknowledgements

- 8.1 Subject to clauses 8.2 - 8.8 below, the Grant Holder and Summer Student are strongly encouraged to, and must make best endeavours to, publish the outputs of the Funded Activity.
- 8.2 Animal Free Research UK must receive a copy of any publication, such as, but not limited to, journal articles, poster or oral presentations, at least ten (10) business days PRIOR to final submission. For the avoidance of doubt, clause 8.2 also applies for any publication, published at any time, during or after the end of the Funded Activity.
- 8.3 Animal Free Research UK does not automatically assist with full publication costs for the publication of Animal Free Research UK funded research as a full journal article. For the duration of the Funded Activity and up to six (6) months after end of the Funded Activity period, Animal Free Research UK will endeavour to provide additional financial assistance to enable the Grant Holder and/or Summer Student to publish the outputs of the Funded Activity.
 - (a) Where the Grant Holder's institute does not already fully cover the costs of publication, especially for open-access journals, Animal Free Research UK will provide additional support of up to fifty percent (50%) of the Article Processing Cost/Fee to enable the Grant Holder and/or Summer Student to publish the results of the Funded Activity.
 - (b) Animal Free Research UK must be made aware of the intention to publish a paper prior to any costs occurring and subject to clause 8.2 above. Animal Free Research UK reserves the right not to assist with any publication charges where it has not been made aware in advance.
 - (c) If additional publication costs are incurred after the final grant payment has been made, the institute must invoice Animal Free Research UK within thirty (30) days of such costs being made and payment will be made by way of reimbursement.
- 8.4 All oral and written presentations, dissertations, theses and other publications arising from a Funded Activity must include acknowledgement of this support, by including the Grant Reference Number and the following phrase, in full:

"[insert name] was funded by Animal Free Research UK (Grant number: [Grant Reference Number])."

and where space permits, the following additional phrase should be included:

"Animal Free Research UK is the UK's leading non-animal biomedical research charity that exclusively funds and promotes human-relevant research that replaces the use of animals."

and where possible include a copy of Animal Free Research UK's logo (clause 8.8 below). The Grant Reference Number will be found on the acceptance documentation, or by contacting Animal Free Research UK, and should also be quoted in all materials where possible. A reprint or copy of the final presentation and/or article must be sent to Animal Free Research UK within two (2) months of publication.
- 8.5 Where a publication arises that includes data obtained from both a Funded Activity and a non-Funded Activity and where the non-Funded Activity involved the use of experiments on animals, or cells or tissues from animals, or used animal-derived biomaterials, then the following statement must appear in the publication, in full:

"Animal Free Research UK does not support or fund any experiments involving animals, animal tissue, animal cells or cell lines or animal derived biomaterials."

Or, where human embryonic or foetal stem cells have been used:

“Animal Free Research UK does not support or fund any experiments involving human embryonic or foetal stem cells.”.

- (a) A reprint or copy of the final presentation and/or article must be sent to Animal Free Research UK within two (2) months of publication.
 - (b) For the avoidance of doubt, Clauses 8.2, 8.4 and other relevant clauses would still apply for such publications.
 - (c) Where a publication arises that includes data obtained from both a Funded Activity and a non-Funded Activity, Clause 8.3 will not apply and Animal Free Research UK will not assist with any publication costs.
- 8.6 In all publications and presentations of Animal Free Research UK funded research, the Grant Holder and Summer Students are required to explain the implications for replacing animal experiments. Additionally, when selecting keywords and indexing terms, e.g. MeSH terms, for a publication, recognised terms such as “Replacement” or “Animal alternatives” or “non-animal model” or “3Rs” should be used.
- 8.7 Subject to clause 9.5 below, Animal Free Research UK will rely on the Grant Holder and Summer Student to produce and submit to Animal Free Research UK a short lay-summary (at a level that a member of the general public can understand) of reports that Animal Free Research UK can use to publicise the work that is being undertaken. Any such published summary would be used externally; therefore, the Grant Holder and/or Summer Student should not include any material or information that could be deemed confidential.
- 8.8 Animal Free Research UK’s logo shall, where possible, be used on all materials used in the dissemination of findings from all Funded Activities and in compliance with any brand guidance provided by Animal Free Research UK to the Grant Holder or Institute from time to time. Additionally, the Grant Reference Number for the Funded Activity, should also be quoted in all materials where possible.
- 8.9 Failure to adhere to the clauses in Section 8, and especially clauses 8.4 and 8.5, may result in any remaining funding being withdrawn or negatively impacting any future applications from the Grant Holder.

9. Publicity and fundraising

- 9.1 Animal Free Research UK is a charity and relies on voluntary contributions. This involves a continuing programme of publicity, education and fundraising, and Grant Holders and Summer Students will be asked for their support. This may include, for example, participating in a cheque-awarding photo call; receiving a visit from an Animal Free Research UK representative or a major sponsor; or being prepared occasionally to speak to representatives of the media.
- 9.2 On acceptance of an Animal Free Research UK grant, Grant Holders and Summer Students will be required to provide some relevant personal information for the purposes of Animal Free Research UK’s media activities.
- (a) Such information will be used in order for Animal Free Research UK to promote the Funded Activity to the public and in all its social and media activities.
 - (b) Such information will be used publicly and will be kept, stored and processed as per Clause 9.6.
 - (c) Information on what personal information is required will be sent to the Grant Holders and Summer Students as part of the acceptance documentation.
 - (d) Grant Holders and Summer Students should not publicise or promote the Funded Activity prior to the official announcement regarding the project or do so without prior approval from Animal Free Research UK.
- 9.3 If a Grant Holder and/or Summer Student intend to publish results of particular interest, and subject to Section 8 above, they should inform Animal Free Research UK in advance, so that a press statement/conference or other promotional activity can be organised if appropriate.
- 9.4 Grant Holders and/or Summer Students must provide Animal Free Research UK for its use at least ten colour images depicting aspects of the Funded Activity. These should be provided in electronic format as good quality image files, i.e. of at least 300 dpi.
- (a) These images may be used, amongst others, for fund-raising, educational and publicity purposes, and should be sent to the Animal Free Research UK Grants Officer.
 - (b) The images should not contain any information or data that should be kept confidential or that you would not want made public.
 - (c) The Grant Holder and/or and Summer Student assign all copyright and other rights of whatever nature, whether now known or created in the future, subsisting in the images to Animal Free Research now and;
 - (d) The Grant holder and/or Summer Student warrant that the images are their original work and they are the sole legal and beneficial owner of the images.
 - (e) The Grant holder and /or Summer Student absolutely waive all moral rights arising under the Copyrights, Designs and Patents Act 1988.

- (f) Further media consent documentation and media acceptance documentation will be provided to the Grant Holder and Summer Student if a grant is successfully awarded.
- 9.5 As part of the final report sent to Animal Free Research UK, the Grant Holder and Summer Student are also required to prepare a short lay summary of the research activities to date for its use in Animal Free Research UK publications. This summary article will be used by Animal Free Research UK for its public fund-raising, educational and publicity purposes, and therefore should not contain any information or data that should be kept confidential or that you would not want made public.
- 9.6 Grant Holders and Summer Student's personal contact details, together with information of their funded research (which may include details of personnel involved in such research), will be collected, stored and processed by Animal Free Research UK in connection with the purposes described in these conditions. The Grant Holder and Summer Student also acknowledge that they may be identified in Animal Free Research UK publications when describing research activities. To the extent that any such information constitutes 'personal data' under the Data Protection Act 2018, this will be processed by Animal Free Research UK in accordance with its applicable legal obligations under that Act. Accordingly, the Grant Holder and Summer Student will be entitled to make a subject access request to Animal Free Research for a copy of all personal data held.

10. Regulations for Summer Student Programme

- 10.1 The purpose of the Summer Student Programme is for individuals to train in non-animal methods, on projects which aim to develop alternatives to replace animal experiments in biomedical fields.
- 10.2 Applications for funding must be made by the intended project supervisor of the candidate Summer Student. The applicant project supervisor is to be the Grant Holder. Animal Free Research UK does not accept applications from individual students.
- 10.3 The Grant Holder, Summer Student, Administrative Authority and Head of Department must agree to accept Animal Free Research UK's Policies, Regulations and Conditions of Support as set out in this document.
- 10.4 The Grant Holder and Summer Student must ensure that the research to be undertaken complies with Animal Free Research UK's Policies, Regulations and Conditions of Support.
- 10.5 The Funded Activity research project must take place at an institution in the United Kingdom.
- 10.6 Students from outside the United Kingdom are eligible provided all legal requirements for study/work in the United Kingdom are met.
- 10.7 Summer Student Programmes are available for periods of eight (8) weeks in duration only and ideally should start within 2 weeks (either side) of the recommended start date. Details of the recommended start date will be available on the Animal Free Research UK website and indicated on the application form at time of application.
- 10.8 It is a condition of the Funded Activity that Students that undertake the Funded Activity must be available towards the end of the Funded Activity to take part in the Animal Free Research UK Summer School. The Summer School is an offsite residential conference and training event that brings all Students together to develop their skills and gives further extramural training. Attendance at the Summer School by the Summer Student is essential and is a requirement for successful completion of the Funded Activity. Dates and further details of the Summer School will be published on the Animal Free Research UK website and indicated on the application form at time of application. For the avoidance of doubt, Students that wish to undertake a Summer Student Programme but cannot take part in the Summer School will not be eligible and the Project will not be funded.
- 10.9 It is a condition of the Funded Activity that within thirty (30) days of the awards completion, the Summer Student and Grant Holder must write and deliver a final report to Animal Free Research UK. Instructions on the content and style of this report should be obtained from Animal Free Research UK's Grants Officer and must be followed. Any publications arising from the work carried out during the Summer Student Programme should be included. The report will be submitted through the Grant Holder, who should append his or her comments. The last instalment of the grant will not be paid until a satisfactory final report has been received.
- 10.10 The Funded Activity should include an element of training, and Grant Holders must ensure that Summer Students are offered a suitable research environment and training programme. Grant Holders should be available to assist Summer Students in the department most of the time, and are responsible for implementing a programme of student assessment. The training should allow the Student to be able to complete the Funded Activity and is in addition to any training provided during the Animal Free Research Summer School. Grant Holders must inform Animal Free Research UK immediately if at any time they consider a Summer Student to be unsatisfactory.
- 10.11 For Summer Student Programmes the following financial provisions have been allocated:
- (a) a **stipend** of £180 per week for eight (8) weeks;
 - (b) a **consumables** budget of up to a maximum of £560 for the duration of the project.

The Grant Holder is obliged to ensure that the whole of the stipend amount awarded is allocated to the Summer Student.

- 10.12 Animal Free Research UK must agree the start date and be in receipt of the signed declaration of acceptance of Animal Free Research UK's Policies, Regulations and Conditions and other related documentation from the Grant Holder, the Head of Department, the Administrative Authority and the Summer Student prior to the agreed start date.
- 10.13 A grant becomes effective from the date on which the Summer Student starts work, and not when a purchase is made from the consumables allocation. A grant must be taken up within the summer period following the award; otherwise, the grant will be rescinded. The Grant Holder or institution's finance officer is required to inform Animal Free Research UK of the actual starting date of the project. No research related expenses, including personal support, invoiced to Animal Free Research UK prior to the official start date will be paid.
- 10.14 Subject to compliance with the Policies, Regulations and Conditions of Support, grants will be paid in arrears to the responsible finance office within thirty (30) days of receipt of a satisfactory final report from the Grant Holder and Summer Student.
 - (a) Invoices are to be received by Animal Free Research UK within sixty (60) days following the end of the Funded Activity period to which it relates.
 - (b) A detailed breakdown of any consumables purchased during this invoiced period must also be provided to Animal Free Research UK.
 - (c) Late invoices, submitted after sixty (60) days following the end of the Funded Activity, will be subject to an automatic 10% reduction in payment. Invoices received more than six (6) months after the end of the Funded Activity will not be reimbursed. For details of the reporting scheme, refer to clause 10.9 above.
- 10.15 Animal Free Research UK takes fraud and the misappropriation of funds very seriously and consequently all invoices received by Animal Free Research UK must include documented proof (receipts) of all expenditure claimed for.
- 10.16 Summer Student Programmes are funded on the condition that the Summer Student is undertaking full-time training and are subject to the normal conditions of their institution. Grant Holders must report unauthorised absences of the Summer Student to Animal Free Research UK. If a Summer Student's period of leave, such as sick leave or maternity leave, exceeds two (2) weeks the award will be suspended.
- 10.17 Animal Free Research UK will not accept any liability for any complaint, grievance or claim arising out of the relationship between a Grant Holder and a Summer Student. These shall be the exclusive responsibility of the Grant Holder. However, Animal Free Research UK expects Grant Holders to treat Summer Students with respect and to have proper regard to their health and safety, working conditions and working hours.

11. Intellectual Property

- 11.1 Any Foreground Intellectual Property shall be the property of the Grant Holder, which hereby grants to Animal Free Research UK a perpetual, royalty-free, non-exclusive licence to use the Foreground Intellectual Property for its own non-commercial promotional and/or educational purposes. Such use is subject to the Grant Holder providing Animal Free Research UK with written notice that the research is subject to confidentiality in accordance with the Patents Act 1977, such patent filing or publication not to be unreasonably delayed by the Grant Holder.
- 11.2 No rights in any Background Intellectual Property will transfer as a result of the Funded Activity. Animal Free Research UK will be entitled to a royalty-free non-exclusive license of such Background Intellectual Property as required to enable it to exercise its rights set out in clause 11.1. Any other use shall be subject to agreement of fair and reasonable commercial terms between the Parties.
- 11.3 Animal Free Research UK requires, as appropriate, the Grant Holder or its technology transfer company, to develop and implement strategies and procedures for the identification, protection, management and exploitation of all Foreground Intellectual Property.
- 11.4 The Grant Holder shall notify promptly Animal Free Research UK when Foreground Intellectual Property that may be of medical or commercial value is created, and shall ensure that such Foreground Intellectual Property is protected at the Grant Holder's expense, and not published or otherwise publicly disclosed prior to protection (whilst at the same time ensuring that potential delays in publication are minimised).
- 11.5 The Grant Holder shall permit Animal Free Research UK to have reasonable access to its personnel, facilities and information utilised in, or created or acquired pursuant to a Funded Activity, or to the exploitation of Foreground Intellectual Property under this clause 11.
- 11.6 Animal Free Research UK requires the Grant Holder to ensure and/or procure that all persons working on or involved with a Funded Activity (including but not limited to employees, students, visiting fellows and sub-contractors) are employed, engaged or retained on terms that vest in the Grant Holder all Foreground Intellectual Property, and that

such persons waive any moral rights or equivalent rights in the Foreground Intellectual Property throughout the world.

- 11.7 As a charity, Animal Free Research UK is under an obligation to ensure that the useful results of research funded by Animal Free Research UK are applied for the public good. Where Foreground Intellectual Property arises from the Funded Activity, Animal Free Research UK requires the Grant Holder to consider whether the protection, management and exploitation of such Foreground Intellectual Property is an appropriate means of achieving the public good in consultation with Animal Free Research UK.
- 11.8 If the Grant Holder considers that exploitation of the Foreground Intellectual Property is an appropriate means of achieving the public good in accordance with clause 11.7, the Grant Holder must seek the prior written consent of Animal Free Research UK, (such consent not to be unreasonably withheld) before it makes any commercial use of, or grants to any third party any exploitation rights, over such Foreground Intellectual Property. Exploitation includes use for any commercial purpose or any licence, sale, assignment, materials transfer, or any other transfer of rights. As a condition for granting consent, Animal Free Research UK will require the Grant Holder to share with Animal Free Research UK the benefit of commercialisation of such Foreground Intellectual Property, either:
 - (a) as set out in clause 12; or
 - (b) by requiring the Grant Holder to enter into an agreement with an Animal Free Research UK Technology Transfer Company on substantively the same terms as clause 12.
- 11.9 Should the Grant Holder decide not to proceed with protection and commercialisation of any Foreground Intellectual Property then it shall inform Animal Free Research UK and, subject to any relevant third-party rights and consents, Animal Free Research UK shall have the right, but not the duty, to protect and exploit such Foreground Intellectual Property. For the avoidance of doubt, the Grant Holder will keep confidential the Foreground Intellectual Property to the extent necessary in order that any required protection of such Foreground Intellectual Property is not jeopardised notwithstanding its decision not to proceed with such protection and commercialisation. Animal Free Research UK shall confirm to the Grant Holder within a reasonable period whether it wishes to take on the protection and commercialisation of such Foreground Intellectual Property.
- 11.10 If the Grant Holder does not protect, manage or exploit any Foreground Intellectual Property to the reasonable satisfaction of Animal Free Research UK, then Animal Free Research UK shall have the right, but not the duty, to protect, manage and exploit such Foreground Intellectual Property. Such right shall only be exercised three (3) months after Animal Free Research UK has given the Grant Holder notice in writing that it is failing to protect, manage and exploit the Foreground Intellectual Property to Animal Free Research UK's satisfaction. However, Animal Free Research UK may exercise such right sooner where it reasonably considers that the opportunity to protect, manage or exploit such Foreground Intellectual Property in order to further its charitable aims could be lost if more immediate action is not taken. The Grant Holder agrees to do, and will ensure that its employees, students and any third party acting on its behalf do, all acts required to assist Animal Free Research UK in such protection and exploitation, promptly and fully.
- 11.11 Where Animal Free Research UK acquires Foreground Intellectual Property under clause 11.9 or 11.10 Animal Free Research UK shall have the rights granted to the Grant Holder under Clause 12.1 below, and the Grant Holder shall have the rights granted to Animal Free Research UK under Clause 12.1 below, in relation to all revenue generated by such Foreground Intellectual Property.
- 11.12 Thirty (30) days after the last day of each year of the Agreement or as reasonably requested by Animal Free Research UK, the Grant Holder shall provide a statement to be delivered to Animal Free Research UK which shall give details of the Foreground Intellectual Property generated that year, together with any commercialisation of the Foreground Intellectual Property and any fees generated from the commercialised Foreground Intellectual Property in accordance with clause 12.
- 11.13 Any monies payable to Animal Free Research UK pursuant to clause 12 shall be paid within fourteen (14) days of delivery to Animal Free Research UK of such statement. Animal Free Research UK may require any of the statements and information referred to in this clause 11 to be audited by its auditors so as to verify their accuracy and the Grant Holder will allow Animal Free Research UK or its representatives access to the relevant books, records and accounts during normal working hours, upon seven (7) days' notice by Animal Free Research UK, for the purpose of conducting an inspection and to confirm the accuracy of the written statements.
- 11.14 If Animal Free Research UK's auditors conclude that the amount paid to Animal Free Research UK by the Grant Holder under clause 12 was less than it should have been, the Grant Holder agrees to pay the amount of such shortfall to Animal Free Research UK within fourteen (14) days of receipt by the Grant Holder of a notice to that effect from Animal Free Research UK and signed by its auditors. Animal Free Research UK agrees to pay the costs of its auditors unless their investigation reveals an underpayment of at least two per cent (2%) of the amount that

should have been paid from the Grant Holder to Animal Free Research UK, in which event the reasonable costs of such audit shall be borne by the Grant Holder directly.

11.15 All sums accrued under this clause 11 and clause 12 shall remain due and owing notwithstanding the termination of this Agreement for any reason whatsoever.

12. Revenue sharing

12.1 Animal Free Research UK shall be entitled to a share of any and all revenue arising from the exploitation of any Foreground Intellectual Property arising from an Animal Free Research UK grant in accordance with standard arrangements established by the Association of Medical Research Charities (“AMRC”) in Appendix 7 of “An Essential Partnership” Principles & Guidelines for Working with Industry as published by the AMRC in December 2007 as illustrated below:

(a) Where Animal Free Research UK is the sole funder of the research leading to the Foreground Intellectual Property, the Grant Holder shall share with Animal Free Research UK any revenue generated from exploitation of such Foreground Intellectual Property according to the following formula:

(1) From gross income received the Grant Holder, or its technology transfer company if relevant, may:

1. deduct and reimburse as appropriate any costs reasonably incurred by the Grant Holder, exclusively attributable to the exploitation of the Foreground Intellectual Property, including patent fees and reasonable professional costs (“Direct Costs”);
2. deduct and reimburse to Animal Free Research UK as appropriate either the amount paid to the Grant Holder under clause 12.1(a)(1) above, or the full amount of any funding paid by Animal Free Research UK to the Grant Holder, whichever is the greater; and
3. distribute remaining net income received in the following revenue shares (determined by reference to cumulative income) as follows:

Cumulative Net Income	Grant Holder	Animal Free Research UK
£0 – £100,000	65% (sixty-five per cent)	35% (thirty-five per cent)
£100,001+	60% (sixty per cent)	40% (forty per cent)

(b) Where Animal Free Research UK is not the sole funder of the research leading to the Foreground Intellectual Property, or where a third party has provided research materials or other form of non-financial contribution to the research which led to the creation of the Foreground Intellectual Property, then Animal Free Research UK’s share of any income arising from exploitation of such Foreground Intellectual Property shall be pro-rata calculated to take into account:

- (1) first the inventive contribution of each inventor to the invention;
- (2) then, the relative contribution of the Grant Holder, Animal Free Research UK and other third-party funders or contributors to each inventor as relevant;
- (3) then the above formula in 12.1(a) shall be applied to Animal Free Research UK’s portion of gross income attributed to Animal Free Research UK’s contribution pursuant to this clause.

(c) The revenue sharing terms in clause 12.1(a) and 12.1(b) above shall apply only to cash income generated from the exploitation of Foreground Intellectual Property.

(d) Where commercialisation leads to an equity deal the Grant Holder shall share the benefits of equity with Animal Free Research UK upon realisation of the equity asset by the Grant Holder (or its technology transfer company if relevant). The share to Animal Free Research UK shall be agreed on a case by case basis taking into account revenue sharing terms in clause 12.1(a) and 12.1(b) above and shall be calculated by the Grant Holder strictly in relation to the notional value of the Foreground Intellectual Property which arose under Animal Free Research UK’s funding in proportion to the overall value of all other contributions to and/or assets of the company.

(e) Notwithstanding clause 12.1(d) above and, for the avoidance of doubt, Animal Free Research UK shall not share in any equity received by the Grant Holder (or its technology transfer company if relevant) which does not relate directly to the Foreground Intellectual Property.

(f) For the avoidance of doubt, the Grant Holder shall be responsible for rewarding the inventors of the Foreground Intellectual Property who are its staff or students from its revenue share in accordance with its own policies and codes of practice.

12.2 Example Revenue Sharing Calculations

(a) Animal Free Research UK is sole funder of the research leading to the Foreground Intellectual Property
All inventors funded by Animal Free Research UK.

Gross Income	£50,000
Direct Costs	£10,000
Net Income	£40,000
Grant Holder's share (65% of £40,000)	£26,000
Animal Free Research UK's share (35% of £40,000)	£14,000

(b) Animal Free Research UK is not sole funder of the research leading to the Foreground Intellectual Property

(1) Inventor details

Four inventors contributed to the Foreground Intellectual Property for which a patent application was filed. The inventors assessed their contribution and agreed that each contributed equally to the invention. Each inventor's contribution is therefore 25%.

Inventor A was funded by Animal Free Research UK

Inventor B was funded by Organisation B

Inventors C and D were funded by Organisation C

Each funder to receive a share of remaining net income from commercialisation of the Foreground Intellectual Property calculated pro rata on inventive contribution of each inventor to the invention. The portions of remaining net income from which each funder will receive a share are as follows:

Animal Free Research UK from 25% of remaining net income

Organisation B from 25% of remaining net income

Organisation C from 50% of remaining net income

(2) Distribution to Animal Free Research UK and Organisations B and C

Gross Income	£50,000
Direct Costs	£10,000
Net Income	£40,000
Distribution to Animal Free Research UK	
25% share attributable to Animal Free Research UK	£10,000
Grant Holder's share (65% of £10,000)	£6,500
Animal Free Research UK's share (35% of £10,000)	£3,500
Distribution to Organisation B	
25% share attributable to Organisation B	£10,000
Grant Holder's share (65% of £10,000)	£6,500
Organisation B's share (35% of £10,000)	£3,500
Distribution to Organisation C	
50% share attributable to Organisation C	£20,000
Grant Holder's share (65% of £20,000)	£13,000
Organisation C's share (35% of £20,000)	£7,000

For further information or queries, please contact the Grants Officer.

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