

Terms and Conditions of a PACE Project Award

BACKGROUND:

- (A) MDC is a not-for-profit company with expertise in medicines discovery and with the aim to reshape drug discovery for patient benefit through transforming UK science into better treatments through partnership.
- (B) MDC has entered into a consortia agreement with LifeArc and UKRI-Innovate UK (each as defined below) (the “**PACE Agreement**”), to establish a translational programme in anti-microbial resistance (“**AMR**”) research delivered in collaboration and funded by LifeArc and UKRI-Innovate UK (the “**PACE Programme**”). MDC is responsible for the day-to-day management and operational delivery of the PACE Programme.
- (C) UKRI-Innovate UK is an executive non-departmental public body established by the Higher Education and Research Act 2017. LifeArc is a charity established to promote the public benefit by improving human health and medical research. Both UKRI-Innovate UK and LifeArc have provided grant funding to the PACE Programme to be distributed to recipients for projects for innovative and precision therapeutics and associated diagnostics in AMR.
- (D) MDC (on behalf of the PACE Partners and pursuant to the PACE Programme) can make grant funding awards to successful recipient projects following an open funding call process. MDC has agreed to provide an Award to the Recipient in respect of the Project.
- (E) This Agreement sets out the terms and conditions upon which the Award (as defined further below) is made by MDC to the Recipient, and is intended to ensure that the Award is used by the Recipient for the purposes that it is awarded and in accordance with the relevant provisions of the PACE Agreement.

1. Interpretation and Definitions

The following definitions and rules of interpretation apply in this Agreement.

1.1 Definitions

In this Agreement the following terms shall have the following meanings:

“Affiliate”	means in respect of an entity, any entity which directly or indirectly controls, or is controlled by, or is under common control with that entity from time to time;
“Agreement”	means this Project Award Agreement, including all schedules to this Agreement, as amended from time to time in accordance with its terms;
“Award”	means the sum of [£AMOUNT] to be distributed to the Recipient by MDC on behalf of the PACE Programme in accordance with the Budget and the terms of this Agreement;
“Award Proposal”	means the proposal describing the Project in detail as set out in Part 1 Schedule 1;

“Background IP”	any IP Rights controlled or owned at the Start Date of this Agreement by either party or any third party (including any PACE Partner or any Delivery Partner or other third party who provides Services in connection with the Project) or generated by such a party otherwise than in pursuance of its obligations under this Agreement and/or the Project, including any improvements to that same which are not specific to the Project;
“Budget”	means the budget for income and expenditure of the Award by the Recipient for the purposes of the Project set out in Schedule 2 Part 2 of this Agreement, as may be amended by approval of MDC during the term of this Agreement in accordance with clause 17;
“Business Day”	a day other than a Saturday, Sunday or public holiday in England when banks in London are open for business;
“Change”	means any change to the terms of this Agreement or the Project proposed by either party in accordance with clause 17 (Changes to the Project);
“Claim”	means written notice in the form provided at Schedule 2 Part 3 (or as otherwise provided to the Recipient by MDC from time to time during the Project Period) which must include: <ul style="list-style-type: none"> a) the amount of the Award to be paid; b) confirmation and supporting evidence acceptable to MDC (including a report in accordance with clause 4.2.1 of this Agreement, unless waived by MDC) that all Milestone(s) during the period which the Claim relates to have been satisfied (or waived by MDC); and c) details of the bank account in the name of the Recipient that is specified at Part 1 of Schedule 2, or such other bank account as the parties shall agree that the Award may be paid into in accordance with Schedule 2;
“Collaborator”	Means any organisation or individual (other than the Recipient and any PACE Partner) working in any capacity on the Project, including but not limited to: <ul style="list-style-type: none"> • providing any facilities in relation to the Project; • receiving any part of the Award; and/or • providing access to proprietary materials (including Background IP); and

- any Delivery Partner or other third party providing any Services in connection with the Project,

and named in the Project Plan or otherwise approved by MDC (on behalf of the PACE Partners) in writing in advance of such collaborator's involvement in the Project;

“Confidential Information”

means any information which ought reasonably to be considered confidential however conveyed or presented:

- that relates to the Award, the Project, the PACE Programme or any PACE Partner or to the business, affairs, operations, customers, beneficiaries, processes, budgets, pricing, policies, product information, strategies, developments, trade secrets, Know-How, personnel and suppliers of the disclosing party, including the disclosing party's IP Rights (and, in the case of MDC, any IP Rights licenced to it under the PACE Agreement);
- together with all information derived by the receiving party from any such information; and
- any other information clearly designated by the disclosing party as being confidential to it (whether or not it is marked “confidential”);

“Delivery Partner(s)”

such third party or third parties as MDC:

- introduces to the Recipient for the purposes of providing services in connection with the Project; or
- recommends that the Recipient engages directly to provide Services in connection with the Project;

“EDI”

means equality, diversity and inclusion in accordance with clause 6.1.7 of this Agreement;

“EIR”

the Environmental Information Regulations 2004 together with any guidance and/or codes of practice issued by the Information Commissioner or relevant government department in relation to such regulations;

“Expiry Date”

means the end date for the Project set out in Schedule 1 (Project Plan) or such later date as the parties shall agree in writing;

“FOIA”

the Freedom of Information Act 2000 and any subordinate legislation made under the Act from time to time, together with any guidance and/or codes of practice issued by the

Information Commissioner or relevant government department in relation to such legislation;

“Force Majeure Event”	an event that is outside a party’s reasonable control and includes war, natural flood, exceptionally adverse weather, strike or lockout, civil disorder, act of God, pandemic, lockdown as a result of a pandemic, power cuts or delays or other event or occurrence which is outside the reasonable control of the party concerned (and which is not attributable to any act or omission by the party concerned including failure to take preventative action). In respect of MDC, a Force Majeure Event shall include a Force Majeure Event affecting any other PACE Partner which affects MDC’s performance of its responsibilities under this Agreement;
“High Risk”	means a country specified in Schedule 3ZA of the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017/692;
“Independent Accountant”	has the meaning given to it in clause 9.1;
“Independent Accountant’s Report” or “IAR”	has the meaning given to it in clause 9.2;
“Ineligible Cost(s)”	means: <ul style="list-style-type: none"> a) payments that support activity with companies, governments or other entities based in a High Risk country or in any country subject to Trade Sanctions; b) paid for lobbying, which means using the Award to fund lobbying (via an external firm or in-house staff) in order to undertake activities intended to influence or attempt to influence Parliament, government, or political activity; or attempting to influence legislative or regulatory action; c) using the Award to directly enable one part of Government to challenge another on topics unrelated to the agreed purpose of the Award; d) using the Award to petition for additional funding; e) expenses such as for entertaining, specifically aimed at exerting undue influence to change Government policy; f) input VAT reclaimable by the Recipient from His Majesty’s Revenue and Customs (HMRC);

- g) payments for activities of a political or exclusively religious nature;
- h) the value of contributions in kind received by the Recipient (including, but not limited to, any non-monetary contributions of assets, goods, services or other capital increase not in cash);
- i) interest payments or service charge payments for finance leases (except where such costs have been approved in advance and in writing by MDC);
- j) gifts;
- k) statutory fines, criminal fines or penalties civil penalties, damages or any associated legal costs;
- l) payments for works or activities which the Recipient has a statutory duty to undertake, or that are fully funded by other sources;
- m) bad debts to related parties;
- n) payments for unfair dismissal or other compensation payable by the Recipient to its employees in respect of any breach of employment law by the Recipient;
- o) depreciation, amortisation, or impairment of assets owned by the Recipient; and
- p) liabilities incurred before the Start Date of the Agreement unless agreed in writing by MDC; and
- q) any other cost that is either (i) not Permitted Expenditure or (ii) is notified to the Recipient by MDC in writing from time to time as being an Ineligible Cost.

“Insurance”

means the full and comprehensive insurance policy of an appropriate value that the Recipient shall take out and maintain in respect of its activities in delivering the Project, as may be specified in paragraph 8 of Part 2 of Schedule 1 (Project Plan);

“IP Rights”

any and all intellectual property rights existing or capable of existing, including (without prejudice to the generality) copyright, trade marks, trade names, Patent Rights, design rights, database rights, Know-How, moral rights, in each case whether registered or unregistered and any application for such right;

“Key Personnel”	the Lead Researcher any such other individuals as are named as key personnel in paragraph 9 of Part 2 of Schedule 1 (Project Plan);
“Know-How”	information, data, know-how or experience whether patentable or not and including but not limited to any technical and commercial information relating to research, design, development, manufacture, use or sale;
“Lead Researcher”	means the individual named as such in the paragraph 9 of Part 2 of Schedule 1 (Project Plan) (if any);
“LifeArc”	“LifeArc” means LifeArc, a company limited by guarantee incorporated in England and Wales (company number 02698321) and registered charity (charity number 1015243 and SC037861) whose registered office is at Lynton House, 7-12 Tavistock Square, London WC1H 9LT;
“Local Data Protection Legislation”	means all data protection and privacy legislation, other than UK Data Protection Legislation, in force from time to time which applies to the Recipient;
“MDC Lead”	means an individual appointed by MDC to coordinate the delivery of its responsibilities under this Agreement, as specified in paragraph 10 of Part 2 of Schedule 2 (Project Plan);
“Milestone”	means each event or task described as a "Milestone" in Part 6 of Schedule 1 (Project Plan);
“Milestone Date”	means the date set against each Milestone in Part 6 of Schedule 1;
“PACE Agreement”	has the meaning give to it in Recital A above;
“PACE Aims”	means the following aims of the PACE Programme: <ol style="list-style-type: none"> 1. To strengthen the pipeline. The PACE Partners recognise the urgent need to grow a pipeline of high-quality precision antimicrobial drugs and associated diagnostics to beat AMR and protect the lives of people around the world; 2. To collaborate to remove barriers. The PACE Programme seeks to accelerate the pace of innovation to address the threat of antimicrobial resistance. The PACE Partners support an approach to drug discovery which connects together UK health innovation and uses collective expertise and resources so that new antimicrobials and diagnostics reach patients more quickly; and

3. To accelerate preclinical translation. The funding, advice and support of the PACE Programme shall be applied to accelerate preclinical research. PACE Partners will work collaboratively with recipients, Delivery Partners and other third parties to identify the fastest and most effective 'end-to-end' route to clinical efficacy and regulatory approval;

“PACE Partners” means LifeArc, MDC and UKRI-Innovate UK, and such other organisation(s) as may be added to PACE Programme as a PACE Partner (unless such PACE Partner is removed as a PACE Partner in accordance with the terms of the PACE Agreement);

“PACE Programme” the National Translational Programme in AMR established by the PACE Partners as further described in Recital B;

“PACE R&D Advisors” means staff members of one/more of the PACE Partners deployed to assist with the Project, in accordance with paragraph 11 of Part 2 of Schedule 1 (Project Plan);

“PACE Research Practices Policy” means the policy setting out research standards and practices for projects funded by the PACE Programme (if any, and as updated from time to time by MDC and the PACE Partners during the Project Period);

“PACE Trade Marks” means the name and logo for the PACE Programme and the names and logos for the PACE Partners, as specified in Schedule 3 Part 1 and as may be amended by the MDC in writing to the Recipient from time to time;

“Patent Rights” means patents and patent applications, divisional applications, continuations, continuations in part, extensions, reissues, re-examinations, and any supplementary protection certificates and similar rights;

“Permitted Expenditure” expenditure which:

- is reasonably incurred and properly evidenced and is directly related to and necessary for the delivery of the Project, in accordance with the Project Plan and Budget;
- complies with the Subsidy Law; and
- is not expenditure on an Ineligible Cost.

Permitted Expenditure shall not include any overhead costs of the Recipient;

“Private Benefit” a benefit, financial or otherwise, to an individual or organisation that is not, having regard to both its nature and amount,

necessary or merely incidental to carrying out the Project, as further explained in the guidance of the Charity Commission for England and Wales on the Public Benefit requirement (<https://www.gov.uk/government/publications/public-benefit-running-a-charity-pb2/public-benefit-running-a-charity>) (as updated from time to time);

- “Project”** means the project of the Recipient funded by Award, as further described in Schedule 1 (Project Plan);
- “Project Period”** means the period starting on the Start Date and ending on the later of:
- (a) Expiry Date or such earlier date as this Agreement is terminated in accordance with clause 20.2; and
 - (b) the date on which the Award monies have been spent by the Recipient in accordance with the terms of this Agreement or otherwise returned to MDC (or the PACE Partners, as applicable); or
 - (c) such other date as is agreed between the parties in writing;
- “Project Plan”** means the detailed description of the Project, including the Award Proposal, set out at Schedule 1 (Project Plan), as updated by agreement of the parties in writing during the Project Period;
- “Purpose”** means the improvement of human health and medical research for the public benefit;
- “Quarterly Payment Date”** the four dates within a 12 month period upon which the Recipient shall submit their claims for payment, the first such date being the date three calendar months from the Start Date and each subsequent date being the date three months from the preceding date;
- “Recipient Lead”** means an individual appointed by the Recipient to coordinate the delivery of the Recipient’s responsibilities under this Agreement, as specified in paragraph 10 of Part 2 of Schedule 1 (Project Plan);
- “Recipient Trade Marks”** means the Recipient’s name and logo, as specified in Schedule 3 Part 2 and as may be amended by the Recipient in writing to MDC from time to time;
- “Resulting IP”** means any IP Rights Resulting from or developed by any party or third party (including any PACE Partner or Delivery Partner) wholly or mainly in performance of its obligations in relation to

the Project, including under any Services Agreement in relation to the same, but excluding any improvements made to their own Background IP by MDC, any other PACE Partner or any Delivery Partner or other third party who provides Services in connection with the Project);

“Safeguarding”

means protecting from harm those who come into contact with the Project, including but not limited to any beneficiaries, staff, volunteers of the Recipient, any PACE Partner any Collaborator, including children and adults at risk;

“Serious Incident”

means an incident in relation to the Project which results in, or may result in, significant harm, loss or damage to the Award the Project, or the reputation of any PACE Partner or harm to people who come into contact with the Project or with any PACE Partner through the Project, or is otherwise likely to satisfy the criteria set out in the guidance of the Charity Commission for England and Wales on ‘what to report’ (<https://www.gov.uk/guidance/how-to-report-a-serious-incident-in-your-charity#what-to-report>).

“Services”

means any services provided in connection with the delivery of the Project by either:

- a Delivery Partner for the benefit of the Recipient under a Services Agreement with MDC; or
- a Delivery Partner or other third party provider of services under a Services Agreement with the Recipient;

“Services Agreement”

means an agreement for Services to support the delivery of the Project entered into by either:

- MDC or a Recipient with a Delivery Partner; or
- a Recipient with a third party provider of Services who is not a Delivery Partner;

“Start Date”

means the start date for the Project set out in paragraph 3 of Part 2 of Schedule 1 (Project Plan) or such later date as the Parties shall agree in writing;

“Streamlined Route”

means the Research, Development and Innovation Streamlined Route, which is a type of subsidy scheme made by the UK government for use by any UK public authority;

“Subsidy Law”

means:

- a) the Subsidy Control Act 2022 and any subordinate legislation made under the same from time to time, together with any guidance issued by the relevant

Government department or the Competition and Markets Authority in relation to such legislation; and

- b) to the extent that Article 10 of the Northern Ireland Protocol in the “Agreement on the withdrawal of the United Kingdom of Great Britain and Northern Ireland from the European Union and the European Atomic Energy Community” applies, the provisions set out in Annex 5 of the Northern Ireland Protocol,

as amended and/or replaced from time to time;

“Trade Sanctions” any trade sanctions made under or pursuant to the Sanctions and anti-Money Laundering Act 2018;

“UK Data Protection Legislation” all applicable data protection and privacy legislation in force from time to time in the UK including the retained EU law version of the General Data Protection Regulation ((EU) 2016/679) (UK GDPR); the Data Protection Act 2018 (DPA 2018) (and regulations made thereunder) and the Privacy and Electronic Communications Regulations 2003 (SI 2003/2426) as amended and the guidance and codes of practice issued by the Information Commissioner or other relevant regulatory authority and applicable to a party;

“UKRI-Innovate UK” means Innovate UK, part of UK Research and Innovation, an executive non-departmental public body established by the Higher Education and Research Act 2017 and sponsored by the Department for Science, Innovation and Technology, whose principal office is at Polaris House, North Star Avenue, Swindon, SN2 1FL;

“UKRI-Innovate UK IP Principles” The principles in respect of the management of IP Rights explained on the UKRI-Innovate UK Trusted Research and Innovation website (<https://www.ukri.org/manage-your-award/good-research-resource-hub/trusted-research-and-innovation/>) and the guidance issued by the National Protective Security Authority (<https://www.protectuk.police.uk/guidance>), as may be updated from time to time. The UKRI-Innovate UK principles expect recipients of grant funding to have robust arrangements for:

- assessment of collaborative partner suitability;
- management of information and knowledge sharing;
- management and protection of intellectual property which may be further developed or commercialised; and

- compliance with any relevant controls as explained in the Export Controls Joint Unit website (<https://www.gov.uk/government/organisations/export-control-joint-unit>), as may be updated from time to time.

“UK Strategic Export Control Lists” means the lists of requirements published by the UK Government, as may be amended from time to time (<https://www.gov.uk/guidance/uk-strategic-export-controls#control-list>);

“VAT” value added tax chargeable under the Value Added Tax Act 1994, or any tax replacing that tax.

1.2 In this Agreement, all references to any statute or statutory provision shall be deemed to include references to any statute or statutory provision which amends, extends, consolidates or replaces the same and shall include any orders, regulations, codes of practice, instruments or other subordinate legislation made thereunder and any terms and conditions attaching thereto.

1.3 In this Agreement, words importing any particular gender include all other genders, and the term "person" includes any individual, partnership, firm, body corporate, government, governmental body, agency, unincorporated body of persons or association and a reference to a person includes a reference to that person's successors and permitted assigns.

1.4 In this Agreement, words importing the singular only shall include the plural and vice versa.

1.5 Except where an express provision of this Agreement states the contrary, each and every obligation of a party under this Agreement is to be performed at that party's cost.

1.6 The schedules form part of this Agreement and shall have effect as if set out in full in the body of this Agreement. Any reference to this Agreement includes the Schedules.

2. **Duration**

2.1 The Recipient will commence the Project on the Start Date. Except where otherwise specified or unless this Agreement is terminated earlier in accordance with clause 20.2 (Termination), the terms of this Agreement shall apply from the date of this Agreement until the expiry of the Project Period.

3. **Purpose of Award**

3.1 The purpose of the Award is to fund the Project, as detailed in Schedule 1 of this Agreement.

4. **Distribution of Award**

4.1 Subject to the terms of this Agreement and due receipt of the funding for the Award from the PACE Partners, MDC shall pay the Award to the Recipient quarterly in arrears based on actual costs incurred and defrayed in accordance with the Budget as specified in Part 2 of Schedule 2 to this Agreement.

4.2 **Claims for Distribution**

4.2.1 The Recipient may submit a Claim for distribution of the Award on a quarterly basis in accordance with the Budget. It shall be a condition of such distribution that the Recipient submits a written Claim to MDC for the

relevant portion of the Award to on or not later than 30 days after the relevant Quarterly Payment Date. All submitted Claims shall include the evidence in respect of Recipient staff time included in the Claim as further described at clause 4.3.5 below.

4.2.2 MDC shall consider and approve or refuse any Claim for distribution of the Award from the Recipient within 10 Business Days of receiving the request or such other period as is agreed by the parties.

4.2.3 The Recipient shall ensure that the amount claimed by the Recipient in relation to any item listed in the Budget does not exceed the actual spend of the Recipient. If, in relation to any item listed in the Budget, the Recipient wishes to claim an amount greater than that which is forecasted in the Budget then it will first need to submit a request for a Change to the Budget in accordance with clause 17.

4.3 General Distribution Terms

4.3.1 The Award will be distributed by MDC to the Recipient in pounds sterling.

4.3.2 Award sums shall be paid into the bank account in the name of the Recipient specified at Schedule 2 Part 1 of this Agreement, which must be an ordinary business bank account. The Recipient shall ensure that appropriate financial controls are in place in relation to the bank account in order to safeguard the Award and details of such controls shall be provided to and agreed with the MDC. The Recipient shall not transfer any part of the Award to any bank account which is not an ordinary business account without the prior written consent of MDC.

4.3.3 The Recipient shall promptly return to MDC any money incorrectly paid to it either as a result of an administrative error or otherwise. This shall include (without limitation) situations where an incorrect sum of money has been paid or where Award sums have been paid in error before all conditions attached to the Award have been complied with by the Recipient.

4.3.4 It shall be a condition for the distribution of the Award by MDC that the Recipient has complied in full with the reporting requirements at clause 8 and Schedule 1 Part 7 of this Agreement, and that MDC is reasonably satisfied that the Award will be used for Permitted Expenditure for the delivery of the Project in accordance with this Agreement.

4.3.5 The Recipient must have a time recording arrangement which enables it to accurately record time spent on the Project which forms part of any Claim for any part of the Award. All claims for staff time spent on the Project must be supported by a time recording evidence which includes:

- (a) the date and number of hours worked on the Project per day by all Recipient staff whose time is included in the Claim, including Key Personnel;
- (b) the name of each staff member of the Recipient included in the Claim;
- (c) a brief description of the work completed and associated to the Project by each member of Recipient staff; and
- (d) the relevant hourly rate for each member of Recipient staff.

The Recipient's time recording system must clearly show when, who and what has been carried out by staff of the Recipient. Such evidence is required to support the submission of Claims for distribution of the Award and to demonstrate that the Recipient's Permitted Expenditure complies with Subsidy Law and clause 4.4 below.

- 4.3.6 The amount of the Award shall not be increased in the event of any overspend by the Recipient in its delivery of the Project, unless agreed in writing by MDC in advance (having first consulted the PACE Partners). The Recipient shall notify MDC promptly in writing in the event that any overspend on the Project is forecasted.
- 4.3.7 The Recipient agrees and accepts that it shall not apply for duplicate funding in respect of any part of the Project or any related administration costs that MDC is funding under this Agreement without MDC's prior written consent.
- 4.3.8 The Recipient may seek and receive third party funding for the Project which is complementary to the Award provided that:
- (a) such funding is not duplicate funding in respect of any part of the Project or any related administration costs which are funded by the Award; and
 - (b) the Recipient obtains the consent of the MDC (having obtained the consent of the other PACE Partners) before applying for such third party funding.

4.4 **Subsidy**

- 4.4.1 The Recipient shall comply with the requirements of Subsidy Law and the Streamlined Route.
- 4.4.2 The Recipient shall inform MDC of any other public funding applied for or awarded in respect of the Project.
- 4.4.3 If the Recipient is found to have received a subsidy that is deemed to be in breach of Subsidy Law or the Streamlined Route, MDC will suspend immediately its payment of the Award (including in respect of any current Claims) and may require the Recipient to repay any proportion of the Award already paid to it with interest in accordance with Subsidy Law.
- 4.4.4 The Recipient shall not make any sub-contract or other agreement with a third party which would constitute a breach of Subsidy Law or the Streamlined Route.

4.5 **VAT**

- 4.5.1 The parties agree that any distribution of Award funds from MDC to the Recipient under this Agreement is grant funding and as such is outside the scope of VAT. If at any time HMRC determines that VAT is due on any such payment made under this Agreement, the parties agree that Award distributed to the Recipient in accordance with this clause 4 shall be treated as being inclusive of VAT, such that no further VAT shall be payable by MDC (or any other PACE Partner).

5. **Use of the Award**

- 5.1 The Recipient shall use the Award only for the delivery of the Project in accordance with the terms of this Agreement, including the specification of the Project in the Project Plan at Schedule 2 and the Budget. The Award shall not be used for any other purpose without the prior written consent of MDC (having first consulted the PACE Partners). The Recipient will not use the Award in any way which does not further the Purpose.
- 5.2 The Recipient shall only use the Award for Permitted Expenditure and shall not use the Award:
- 5.2.1 to make any payment to members of its governing body without the prior written agreement of MDC, unless expressly set out the Budget. If MDC permits any such payment, then the Recipient shall only make such payment to the extent it is permitted by its own governing document(s);

- 5.2.2 to purchase buildings, land, equipment or other assets unless this is specified in the Budget;
- 5.2.3 to pay for any expenditure commitments of the Recipient entered into before the Start Date unless specified in the Budget;
- 5.2.4 to meet any liabilities of the Recipient arising at or after the end of the Project including any redundancy or other severance payments due to any employees of the Recipient engaged in the delivery of the Project. MDC shall not be responsible for such liabilities, nor shall any additional sums be available from MDC for the same;
- 5.2.5 to make any payments which contravene the Bribery Act 2010 or would contravene the Bribery Act 2010 if such payment had been made by MDC (for the avoidance of doubt the Bribery Act 2010 shall be deemed to apply to the Recipient for the purposes of this Agreement notwithstanding any provision of that legislation to the contrary); or
- 5.2.6 on the delivery of the Project after the end of the Expiry Date or the termination of this Agreement, unless such expenditure is permitted in writing by MDC and approved by the other PACE Partners in accordance with the terms of the PACE Agreement.
- 5.3 MDC may impose such additional conditions in respect of the Award that it considers reasonably necessary or desirable to protect such Award and/or to ensure that the Award is used only for the Project in accordance with this Agreement, provided that if such additional conditions conflict with the provisions of this Agreement then the terms of this Agreement shall take precedence.
- 5.4 The Recipient shall not make any change to the Project (including to the Project Plan, Milestones and/or Budget) other than in accordance with clause 17 (Changes to the Project).
- 5.5 The Recipient shall notify MDC in writing as soon as possible of any circumstances or actions that threaten the completion of the Project or that will or may cause the execution of the Project to differ substantively from the description at Schedule 1 (Project Plan).

6. **The Project**

- 6.1 The Recipient shall:
 - 6.1.1 be solely responsible for the Project;
 - 6.1.2 carry out the Project in accordance with the terms of this Agreement, including the Project Plan (including any Milestones) and the Budget;
 - 6.1.3 use all reasonable endeavours to meet the Milestones by the Milestone Dates;
 - 6.1.4 use all reasonable endeavours to carry out the Project in accordance with the PACE Aims;
 - 6.1.5 ensure that it has all necessary resources and expertise to carry out the Project, and ensure that the Project is carried out:
 - (a) under the direction of the Lead Researcher, and will procure that the Lead Researcher complies with the applicable terms of this Agreement; and
 - (b) by the Key Personnel, and will procure that the Key Personnel complies with the applicable terms of this Agreement;

- 6.1.6 conduct the Project with reasonable care and skill, in a timely manner and, as applicable, in accordance with best practice (as applicable to the Project);
- 6.1.7 ensure that EDI is considered and supported at all stages throughout the Project, in accordance with all relevant legal obligations, including but not limited to those of anti-discrimination in the Equality Act 2010.
- 6.1.8 carry out its responsibilities under this Agreement, and in relation to the Projects, in accordance with all applicable legal and regulatory requirements and ethical standards in force from time to time as are relevant to the Project, including but not limited to the following:
- (a) all relevant health and safety legislation, rules and regulations;
 - (b) all relevant equalities rules and regulations, including the Equality Act 2010;
 - (c) the UK Data Protection Legislation, in accordance with clause 16 of this Agreement;
 - (d) all applicable safeguarding standards;
 - (e) good research practice and the PACE Research Practices Policy;
 - (f) good employment practice;
 - (g) human rights and anti-bribery laws, as described at clause 25 below and the business practices and standards of behaviour outlined in the Cabinet Office 'Code of Conduct for Recipients of Government General Grants'; and
 - (h) the requirements stated in The National Security and Investment (NSI) Act 2021 and the statutory [UK Strategic Export Control Lists](#), in so far as it applies to the Recipient and the Project;
- 6.1.9 have and comply with:
- (a) such policies and/or procedures in relation to the same as are appropriate to the Project and its responsibilities under this Agreement; and
 - (b) such additional policies and/or procedures as MDC shall reasonably require, as notified by MDC to the Recipient in writing from time to time,
- and shall ensure that all such policies are kept up to date and comply with best practice in relation to the Project and shall provide copies of such policies to MDC on request;
- 6.1.10 not, and shall procure that any Collaborator shall not, do or omit to do anything which may harm the interests or reputation of MDC, the other PACE Partners or the PACE Programme or bring them or it into disrepute. MDC shall not do or omit to do anything which may harm the interests or reputation of the Recipient or bring it into disrepute;
- 6.1.11 subject to the provisions of clause 12 (Intellectual Property), take appropriate steps to facilitate the further development and exploitation of the Resulting IP in furtherance of the Purposes and the PACE Aims;
- 6.1.12 ensure that all third parties, including any individuals, engaged on the Project are suitably qualified and comply with all applicable terms of this Agreement;
- 6.1.13 cooperate with MDC in all matters relating to the Project, and comply with the reasonable instructions of MDC in relation to the Project;

- 6.1.14 provide such cooperation as MDC shall reasonably require to enable MDC to meet its responsibilities under the PACE Agreement; and
- 6.1.15 use reasonable endeavours to meet such other reasonable compliance requirements as shall be requested by MDC from time to time in writing.
- 6.2 MDC (on behalf of PACE) may appoint the PACE R&D Advisors to assist with the Project, including at the Recipient's premises, as specified in Schedule 1 (Project Plan).

7. **Warranties**

- 7.1 The Recipient warrants and agrees that:
 - 7.1.1 it is correctly constituted and regulated to be able to receive the Award and that receipt of the Award and delivery of the Project are within the scope of its constitution;
 - 7.1.2 it has all necessary resources and expertise to deliver the Project (assuming due receipt of the Award from MDC in accordance with the terms of this Agreement);
 - 7.1.3 it is not subject to any contractual or other restriction imposed by its own or any other rules or regulations or otherwise which may prevent or materially impede it from carrying out its obligations in connection with the Award and the Project;
 - 7.1.4 all financial and other information provided to MDC by the Recipient is, to the best of the Recipient's knowledge and belief, true and accurate (including in the Recipient's Award Proposal);
 - 7.1.5 since the date of its last accounts there has been no material change in its financial position or prospects;
 - 7.1.6 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 MDC in writing;
 - 7.1.7 all individuals engaged in carrying out the Project, including any Project Collaborators, shall be employed or retained by the Recipient on terms that vest in the Recipient all right, title and interest in and to any Resulting IP;
 - 7.1.8 it has and will maintain during the Project all necessary approvals, consents, permissions, authorisations and licences;
 - 7.1.9 it is not subject to an outstanding order for the recovery of subsidy by any UK public authority or which has otherwise been declared by a court or regulator to be unlawful or incompatible with Subsidy Law, and it is not subject to an outstanding order for the recovery of any other state aid which has been declared by the European Commission to be unlawful and incompatible with the single market;
 - 7.1.10 it is not aware of anything in its own affairs, which have not been disclosed to MDC, which might reasonably have influenced the decision of MDC to make the Award on the terms contained in this Agreement;
 - 7.1.11 if Subsidy Law applies to the Award, the Recipient is not subject to collective insolvency proceedings nor does it fulfil the criteria under UK domestic law for being placed in collective insolvency proceedings at the request of its creditors;
 - 7.1.12 it has not committed any offence under the Bribery Act 2010; and

7.1.13 it has and shall keep in place adequate procedures and systems to prevent and deal with any conflicts of interest, misconduct, fraud (including research fraud) and/or administrative malfunction and shall make details of such systems and procedures available to MDC on request.

8. **Accounts and Reporting**

8.1 The Award shall be held, and shown in the Recipient's accounts, as a restricted fund and shall not be included under general funds.

8.2 The Recipient shall keep separate, accurate and up-to-date accounts and records of the receipt and expenditure of the Award funds it receives and if requested shall provide MDC with copies of its annual accounts within six months of the end of the relevant financial year in which the Award or any part of the Award is paid to the Recipient (or within such lesser period as MDC may reasonably require).

8.3 The Recipient shall keep all invoices, receipts and accounts and any other relevant documents relating to the expenditure of the Award for a period of at least six (6) years following receipt of any Award monies to which they relate. MDC shall have the right to review the Recipient's accounts and records that relate to the expenditure of the Award and to take copies of such accounts and records. The Recipient shall provide access to such information within five (5) Business Days of receiving a written request from MDC.

8.4 The Recipient and MDC shall closely monitor the delivery and success of the Project throughout the Project Period to ensure that:

8.4.1 the Award is used only for the Project in accordance with the terms of this Agreement, including the Project Plan and the agreed Budget; and

8.4.2 the aims and objectives of the Project and the PACE Aims are being met and that this Agreement is being adhered to.

8.5 The Recipient shall comply with the monitoring and reporting requirements detailed in Part 7 of Schedule 1 of this Agreement.

8.6 The Recipient shall provide MDC with a final report upon completion of the Project in accordance with the reporting requirements detailed in the Project Plan at Part 7 of Schedule 1 (Project Plan), and as otherwise reasonably requested by MDC. Such report shall be due no later than three calendar months after completion of the Project.

8.7 The Recipient shall on request provide MDC with such further information, explanations and documents as MDC may reasonably require in order for it to establish that the Award has been used properly and in accordance with this Agreement.

8.8 The Recipient shall procure that the Lead Researcher, the Recipient Lead and any other relevant individuals within the Project are available to meet and discuss progress of the Project with the MDC Lead or other person(s) so nominated by MDC at MDC's reasonable request, and the frequency of such meetings shall be determined by MDC acting reasonably. MDC shall also have the right to attend project management meetings or similar of the Recipient in respect of the Project at MDC's reasonable request.

8.9 Along with the reports required in accordance with clause 8.5 and 8.6 of this Agreement, where appropriate and requested by MDC, the Recipient shall provide MDC with a risk register in relation to the Project in such format as MDC shall require. The Recipient shall address the health and safety of its staff in the risk register.

- 8.10 The Recipient shall permit any person authorised by MDC reasonable access to its employees, agents, premises, facilities and records, for the purpose of discussing, monitoring and evaluating the Recipient's fulfilment of the delivery of the Project and the conditions of this Agreement and shall, if so required, provide appropriate oral or written explanations from them to enable MDC to monitor and evaluate how the Award has been used or committed.
- 8.11 The Recipient shall declare to MDC any relationship between the Recipient and any Collaborator or other third party provider appointed in accordance with clause 26.2 of this Agreement.
- 8.12 The Recipient shall provide such evidence as MDC shall reasonably require to demonstrate that value for money is achieved in the procurement of goods, services or works funded by the Award. In addition, the Recipient's procurement process must be no less robust than the Recipient's usual procurement process. The Recipient shall not sell services or equipment funded by the Award to Collaborators or other project partners at a profit.
- 8.13 The Recipient will inform MDC immediately:
- 8.13.1 of any allegations of misconduct and/or fraud in connection with the Project, and the progress and outcome of any ensuing investigation into such misconduct or fraud;
 - 8.13.2 of any Serious Incident which occurs in connection with the Project;
 - 8.13.3 of any Safeguarding incidents which cause or may cause harm to any person, or which may place any person at risk of harm, and shall provide MDC with all details reasonably requested in relation to such incidents;
 - 8.13.4 if it becomes aware of any material breach of this Agreement;
 - 8.13.5 any Private Benefit has, or may, arise to the Recipient, any Collaborator or the Recipient, or any other third party that is more than incidental to the Project and is not proportional to the benefit achieved by the Project overall;
 - 8.13.6 if it is subject to any financial or other difficulties which may have a material impact on the effective delivery of the Project in accordance with the Project Plan, Budget and/or any Milestones, or its compliance with this Agreement so that, without creating any legal obligation on MDC to do so, MDC will have an opportunity to provide assistance in resolving the problem and/or to take action to protect their own organisation and/or the Award; and/or
 - 8.13.7 any changes in its organisation that threaten its solvency or if it intends to enter into any arrangement with any creditor and if any legal claims or regulatory investigations are made or threatened against it, including where such claims or investigations may adversely affect the delivery of the Project.
- 8.14 Without prejudice to clause 8.13.3 (Safeguarding incidents), the Recipient will comply with all locally applicable safeguarding reporting requirements.
- 8.15 The Recipient must promptly inform MDC and reportfraud@ukri.org:
- 8.15.1 of any issue or material change that could affect the progress, delivery or exploitation of the Project and of any changes to your constitution, legal form, membership structure (if applicable) or ownership;
 - 8.15.2 if the Recipient, its staff, officers or volunteers associated with the Project are subject to any complaint or investigation into dishonesty, fraudulent activities or business misconduct, carried out by any regulatory body or the police; and

- 8.15.3 of any allegations, whether proven or not, of fraud, criminal convictions, bankruptcy arrangements, or disqualifications.
- 8.16 In the event that any breach of clause 7 (Warranties) or any other event or incident which may require any PACE Partner to report a Serious Incident to the Charity Commission, or to make a report to any other regulator or donor, the Recipient will co-operate fully with the MDC and the PACE Partner making such report to enable them to comply with any such reporting requirements. Such co-operation shall include but is not limited to promptly:
- 8.16.1 providing MDC and/or the affected PACE Partner with sufficient details of the event, incident or concern;
- 8.16.2 providing any other information MDC and/or the affect PACE Partner requests; and
- 8.16.3 allowing the MDC and/or the affected PACE Partner such access to sites, individuals and records as they may reasonably require.
- 8.17 The Recipient will maintain complete and accurate accounting records and copies of any reports submitted to MDC relating to the Project. The Recipient will retain such records and reports for six (6) years after the Award has been spent. At MDC's request, the Recipient will make such records and reports available.
- 9. Independent Accountants Report**
- 9.1 The Recipient will appoint a qualified independent accountant ("Independent Accountant") in accordance with the Independent Assurance Requirements.
- 9.2 The Independent Accountant shall inspect the Recipient's financial statements and records relating to the Award. The Independent Accountant will prepare an Independent Accountant's Report ("IAR"), at the intervals as set out in Schedule 4 and including the information to be reasonably confirmed by MDC. The IAR is to be submitted in English. For the avoidance of doubt, the thresholds set out in Schedule 4 shall apply only to Award sums distributed by MDC to the Recipient and shall not include any portion of the Award applied by MDC to pay Delivery Partners for Services for the benefit of the Recipient's Project.
- 9.3 The Recipient must appoint an independent accountant in a manner consistent with UKRI-Innovate UK's standard terms of Engagement of Accountants, which MDC will provide to the Recipient upon request.
- 9.4 The Recipient must meet its statutory financial accounting obligations and provide access to both statutory and management accounts to MDC or its nominated representatives, including the UKRI-Innovate UK Counter Fraud and Investigations Service, at all reasonable times. The UKRI-Innovate UK Counter Fraud and Investigations Service retains the right to carry out a visit to the registered office of the Recipient without prior notice when conducting an investigation into any grant funding received from UKRI-Innovate UK, including the Award providing under the PACE Programme.
- 9.5 The Recipient must provide access to all supporting Project documentation to MDC and any of its nominated representatives (including member(s) of the UKRI-Innovate UK Counter Fraud Investigation Service) who reserve the right to request and access additional information to facilitate our due diligence checks as part of the grant assurance process. This includes but is not limited to, the company directors, shareholders and employees who either undertook work or supported the project.
- 9.6 The Recipient must allow the appointed auditor or nominee to access all documentation they deem necessary for the purpose of their audit or investigation. Where appropriate the original version should be provided.
- 9.7 The Recipient must submit an additional IAR at MDC's request if any of the following occur:

- 9.7.1 the Recipient ceases to deliver the Project for any reason other than the expiry or termination of this Agreement;
- 9.7.2 this Agreement, and therefore the Project, is terminated; and/or
- 9.7.3 MDC reasonably suspects that the Recipient is in breach of the terms of this Agreement.

10. **Key Personnel**

- 10.1 The Recipient will notify MDC promptly if:
 - 10.1.1 any Key Personnel transfer or notify the Recipient that they intend to transfer to another institution or organisation; or
 - 10.1.2 any Key Personnel are for any reason unable or unwilling to continue their work on the Project (whether permanently or temporarily).
- 10.2 The Recipient shall not replace any Key Personnel or transfer any part of the Award to the institution or organisation that any Key Personnel (including the Lead Researcher) has or will transfer to without MDC's prior written consent. Where the Recipient wishes to replace any Key Personnel working on the Project, the Recipient will notify MDC and provide MDC with details of the candidates for the role, and their credentials. The Recipient will take MDC's reasonable comments into account when appointing any new individuals to any role fulfilled by any Key Personnel.
- 10.3 MDC may terminate this Agreement immediately by providing written notice if:
 - 10.3.1 any Key Personnel transfer to another institution or organisation; or
 - 10.3.2 any Key Personnel are unable or unwilling to continue their work on the Project for a period of more than three months,

and no suitable replacement can be found to the reasonable satisfaction of MDC (on behalf of the PACE Partners) and in accordance with clause 10.2.
- 10.4 Where MDC terminates the Agreement under clause 10.3, the provisions of clauses 20 and 21 of this Agreement will apply and nothing in this Agreement will prevent MDC (on behalf of the PACE Partners) from entering into a new agreement for the Project with the institution the Lead Researcher and/or any other Key Personnel have transferred to, subject always to compliance with Subsidy Law.

11. **Insurance**

- 11.1 The Recipient shall take out and maintain in force for the term of this Agreement, the Insurance in respect of its activities in delivering the Project.
- 11.2 The Recipient shall (on request) supply MDC with a copy of the policy for the Insurance and evidence that the relevant premiums have been paid.
- 11.3 The Recipient shall procure that any Collaborators it engages in relation to the Project maintain insurance coverage consistent with this clause 11.

12. **Intellectual Property**

- 12.1 Other than as expressly set out in this Agreement, neither party will acquire any right, title, licence or interest in or to the other party's IP Rights.
- 12.2 MDC and the Recipient agree that:
- 12.2.1 this Agreement does not affect the ownership of any Background IP of MDC (or any other PACE Partner), the Recipient or any third party (including any Collaborator) and the Background IP of either party shall remain the property of that party; and
- 12.2.2 any Resulting IP developed by either party during the Project shall remain the property of the party that developed such Resulting IP.
- 12.3 The Recipient warrants that, unless otherwise notified to MDC in writing prior to the Start Date:
- 12.3.1 the Background IP required for the Project (and as may be further detailed in the Project Plan) is either owned by the Recipient or, where the Background IP is owned by a third party, the Recipient has the right (including, where applicable, an appropriate licence) to use such IP Rights to carry out the Project;
- 12.3.2 the Recipient is entitled to use the Background IP to carry out the Project and to support the further development and commercialisation of the Resulting IP whether during or after the expiry of the Project Period;
- 12.3.3 other than the Background IP detailed in the Project Plan, the Recipient is not aware of any other IP Rights that will, or are reasonably likely to be, required to carry out the Project;
- 12.3.4 so far as the Recipient is aware, no third party will have any rights in respect of any Resulting IP; and
- 12.3.5 so far as the Recipient is aware, (and having made appropriate enquiries of its staff conducting the Project and any Collaborators named in the Project Plan) the Project and the Resulting IP shall not infringe the IP Rights or other rights of any third party.
- 12.4 The Recipient will ensure that all rights in and to the Resulting IP generated by its employees, students and Collaborators (including any Delivery Partners and other sub-contractors) will be owned or controlled by it so as to enable it to comply with its obligations under this Agreement. Where required, the Recipient shall ensure that such rights have been validly assigned to it by the relevant employee, student or Collaborator prior to that employee, student or Collaborator commencing work on the Project.
- 12.5 The Recipient shall promptly notify MDC in writing if it becomes aware at any time that the conduct of the Project and/or any of the Resulting IP infringes or may infringe the IP Rights (or any other rights) of any third party.
- 12.6 **Commercialisation of Resulting IP by the Recipient**
- 12.6.1 MDC (and the PACE Partners) are under an obligation to ensure that useful results of research funded by the PACE Programme (whether in whole or in part) are applied for the Purpose and for the 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 Resulting IP is an appropriate means of achieving public benefit and develop and implement strategies and procedures for the identification, protection, management and exploitation of Resulting IP (at all times subject to 12.7 below).

- 12.6.2 The Recipient shall notify MDC promptly of any Resulting IP, and 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 Resulting IP and defend and enforce such rights once obtained. For clarity, the Award may not be used to cover any costs incurred by the Recipient in respect of the activities foreseen by this clause 12.6.2.
- 12.6.3 The Recipient shall take reasonable account of the UKRI-Innovate UK IP Principles and shall use reasonable endeavours to manage the Resulting IP in a professional and business-like manner, in order to:
- (a) encourage the commercialisation of new technologies;
 - (b) enable businesses to benefit from UK research; and
 - (c) enhance the growth of high technology industry in UK.
- 12.6.4 The Recipient shall establish an exploitation plan which will be reviewed by MDC. For the duration of the Project, the Recipient must review and update its exploitation plan no less frequently than every six (6) months (or at such other intervals as are agreed by the parties). For a period of five (5) years after the expiry or earlier termination of the Project, the Recipient shall take reasonable steps to exploit the results of the Project in the UK. MDC will continuously evaluate the impact of the Award and the Recipient shall cooperate fully in this process.
- 12.6.5 The Recipient shall ensure that MDC is kept informed as to the progress of, and any material developments concerning, the protection of the Resulting IP in accordance with clause 12.6.2, including any decision to prepare, file, prosecute and maintain one or more Patent Rights or other applications for statutory protection of the Resulting IP and shall provide any other information or updates reasonably requested by MDC from time to time.
- 12.6.6 For a period of two years following completion of the Project and upon each anniversary of the Start Date, the Recipient shall provide to MDC a written report setting out in reasonable detail:
- (a) information relating to the progress which it has made to develop and/or commercially exploit the Resulting IP (as applicable);
 - (b) details of further funding secured to develop and/or commercially exploit the outputs of the Project, including the Resulting IP (if any);
 - (c) information relating to its plans for the publication, development and commercial exploitation of the outputs of the Project, including the Resulting IP (as applicable);
 - (d) details of Patent Rights or other applications for statutory protection of the Resulting IP filed, registered or otherwise protected;
 - (e) details of any collaborations involving the outputs of the Project and/or the Resulting IP;
 - (f) if applicable, any and all exploitation revenue received in the relevant period from the publication, development and commercial exploitation of the Resulting IP (as applicable) (including details of the relevant costs deducted in calculating the same); and
 - (g) such updates and other information reasonably requested by MDC for MDC and the PACE Partners to demonstrate the impact and public and patient benefit of the Project and its findings and outputs (including the Resulting IP), including without limitation within the field of AMR.

12.6.7 Following the expiry of the two year reporting period referred to at clause 12.6.6 above, the Recipient shall for a further eight years:

- (a) provide to MDC a written report setting out in reasonable detail such of the matters set out at 12.6.6(a) to 12.6.6(g) above as are requested by MDC from time to time, at the expense of MDC and/or the other PACE Partners; and
- (b) provide such other data as MDC and/or the PACE Partners shall require to evaluate the impact of the Project and the PACE Programme, at the request of MDC and/or any PACE Partner.

12.7 Trade Marks

12.7.1 MDC hereby grants to the Recipient the right to use the PACE Trade Marks for the purpose of promoting the Project and the PACE Programme in accordance with clause 14 (Publicity). The Recipient will comply with all written brand guidelines provided by MDC (including any brand guidelines of the other PACE Partners) to the Recipient from time to time.

12.7.2 The Recipient hereby grants to MDC the right to use the Recipient Trade Marks during the Project Period for the purpose of promoting the Project and the PACE Programme in accordance with clause 14 (Publicity). MDC will comply with all written brand guidelines provided by the Recipient to MDC from time to time. MDC may sublicense the right to use the Recipient Trade Marks to the other PACE Partners on the same terms as this clause 12.7.2.

13. Publication

13.1 MDC acknowledges that the Recipient and its employees and shall have the right to make publications relating to any Resulting IP developed during the Project Period for the public benefit. Throughout the Project Period, the Recipient shall actively consider publication of the Resulting IP where this will advance the Purpose for the public benefit and create an impact for the benefit of patients.

13.2 The Recipient and its employees are expected to conform with the principles of open access of research results. Electronic copies of any research papers that have been accepted for publication in a peer-reviewed journal and are supported in whole or in part by the Project and the Award shall be deposited into PubMed Central (PMC) or Europe PMC immediately with a CC BY licence as soon as possible from the journal publisher's official date of final publication.

13.3 If the Recipient or any of its employees proposes to issue a publication in accordance with clause 13.2, then the Recipient shall provide MDC with a copy of each publication at least thirty (30) days prior to submission of the publication for publishing. MDC may require the Recipient to delay publication by a period of no longer than three (3) months from the date of notification if MDC and/or the PACE Partners consider that such delay is reasonably necessary in order to file for protection for any Resulting IP developed by the Recipient or any third party.

13.4 Notwithstanding clause 13.3, MDC shall be entitled to require the removal by the Recipient of any Confidential Information obtained from MDC or any other PACE Partner in the course of or in anticipation of the Project and/or this Agreement (including business or scientific strategies, opportunities, finances or processes, or research or product development information) and/or any Resulting IP or Confidential Information of the Recipient which, if published, could be detrimental to the protection, management and/or exploitation of the Resulting IP in accordance with clause 12.6 (Commercialisation of Resulting IP).

13.5 The Recipient shall acknowledge the contribution to the Project by the PACE Programme and the PACE Partners in all publications issued by the Recipient or their employees pursuant to clause this clause 13 in accordance with the provisions of clause 14 of this Agreement (Publicity and Communications).

13.6 For the avoidance of doubt all publications must comply with clause 16 (Data Protection).

14. **Publicity and Communications**

14.1 The Recipient shall observe any publicity embargo on the announcement of successful applications until MDC confirms in writing that any such publicity embargo has been lifted.

14.2 Save as permitted by clauses 14.3, 14.4 and 14.5, neither party shall use the other party's name or logo in any publicity or marketing materials without the prior written consent of the other party and the Recipient shall not use the names or logos of the other PACE Partners in any publicity or marketing materials without the prior written consent of MDC on behalf of the other PACE Partners.

14.3 The Recipient shall acknowledge the Award in its annual report and accounts, including an acknowledgement of the PACE Programme and PACE Partners as the source of the Award.

14.4 The Recipient is encouraged to acknowledge the support of the PACE Programme and the PACE Partners in any materials that refer to the Project and in any written or spoken public presentations about the Project, but it retains full discretion in respect of the inclusion of any such acknowledgement. Where such acknowledgements include the PACE Trade Marks (or any future names or logos adopted by the PACE Partners, including for the PACE Programme, and provided to the Recipient by MDC) the Recipient shall use the PACE Trade Marks set out in Schedule 3 Part 1 or as otherwise provided by MDC from time to time. The Recipient shall not publish any material referring to the Project, the Programme or any of the PACE Partners without the prior written agreement of MDC (on behalf of the PACE Partners).

14.5 MDC and the other PACE Partners may acknowledge the Recipient's involvement in the Project (and the involvement of any Collaborators of the Recipient) as appropriate without prior written notice and MDC and the other PACE Partners may make public the purpose and amount of the Award on the website for the PACE Programme and/or their organisation's websites, in their annual reports and/ or in any other publications reporting on the activities of the PACE Programme or the activities of the PACE Partners from time to time. MDC and the other PACE Partners may include in such publicity, among other things, the name and place of work of the Lead Researcher, the Collaborators of the Recipient and others funded by the Award and the title and a non-confidential abstract of the subject matter of the Project. Where such acknowledgements include the Recipient Trade Marks (or any future name or logo adopted by the Recipient and provided to MDC), MDC and the other PACE Partners shall use the Recipient Trade Marks set out in Schedule 3 Part 2 or as otherwise provided by the Recipient from time to time.

14.6 The Recipient shall remove all public references to the PACE Programme (including but not limited to any PACE Trade Marks) if required to do so by MDC upon the termination of this Agreement or any other cessation or withdrawal of the Award.

15. **Confidentiality**

15.1 Each party shall during the term of this Agreement and for 6 (six) years thereafter keep confidential, and not disclose or permit to be disclosed to any third party, any Confidential Information disclosed to it as a result of the Agreement, save as set out in clause 15.2 and 15.3.

15.2 A party may disclose Confidential Information:

- 15.2.1 to its employees, officers, Collaborators or other sub-contractors, agents or advisors provided that such disclosure is necessary for the purposes of satisfying its responsibilities under this Agreement. Each party shall ensure that any of its employees, officers, Collaborators or other sub-contractors, agents or advisors to whom it discloses the other party's Confidential Information complies with this clause 15;
- 15.2.2 where such information is, or becomes, publicly available on a non-confidential basis through no fault of the disclosing party;
- 15.2.3 where such information is at any time after the Start Date of this Agreement acquired by the receiving party from a third party having the right to disclose the same to the receiving party without breach of the obligations owed by the receiving party under this Agreement;
- 15.2.4 to the extent necessary to comply with any legal and/or regulatory requirements in force from time to time which apply to any party;
- 15.2.5 to the extent necessary to respond to a request made under the Freedom of Information Act 2000 and/or the Environmental Information Regulations 2004. If the Recipient is holding such information on MDC's behalf, it must provide all reasonable assistance to meet the obligation. In instances where the disclosure of information is not already in the public domain, MDC will use reasonable endeavours to consult the Recipient before disclosure, but it is under no obligation to do so. The decision to disclose any information in response to such requests will remain the responsibility of MDC; and
- 15.2.6 as approved by the disclosing party.
- 15.3 MDC may disclose Confidential Information of the Recipient to the other PACE Partners as required under the PACE Agreement, which the PACE Partners shall keep confidential in accordance with the confidentiality provisions in the PACE Agreement.
- 15.4 Each party reserves all rights in its Confidential Information. The disclosure of Confidential Information by one party does not give any other party or any other person any licence or other right in respect of any Confidential Information beyond the rights expressly set out in this Agreement.
- 15.5 The parties acknowledge that monetary damages alone may not be a sufficient remedy for any actual or threatened breach of this clause 15 and that equitable relief may be available in respect of any such breach hereof without proof of special damages.
- 15.6 The obligations set out in this clause 15 shall survive for a period of 6 (six) years following termination and/or expiry of this Agreement.
16. **Data Protection**
- 16.1 The Recipient will comply with its obligations under UK Data Protection Legislation and any applicable Local Data Protection Legislation in respect of this Agreement and any data collected and used as part of the Project.
- 16.2 The parties will not perform their obligations under this Agreement in such a way as to cause the other party to breach any of its obligations under the UK Data Protection Legislation. The parties agree to co-operate with each other to ensure that each party is able to perform its obligations under the UK Data Protection Legislation.
- 16.3 Any personal data provided by the Recipient to MDC will be used by MDC (and, to the extent required by the terms of the PACE Agreement, the PACE Partners) to administer the Award. MDC and the other PACE Partners may publish certain non-confidential personal data (including the names and places of work of the Key Personnel (including the Lead Researcher) and other researchers funded by the Award) on their

website(s) and/or annual report(s). MDC will not provide any personal data (other than contact details) to the Recipient.

16.4 Other than the names and places of work of the Key Personnel (Including the Lead Researcher) and other researchers funded by the Award, and any personal data to be provided by the Recipient under clauses 4.3.5, 8.13.3, and 10, the Recipient will not provide MDC with any personal data. Where the Recipient does share any data relating to individuals, the Recipient will ensure that such data is anonymised so that it does not constitute personal data.

16.5 In the event either party anticipates that it will share other personal data, or it would be beneficial to share personal data, with the other party it shall inform the other party without undue delay. The parties will work together in good faith to ensure that such data sharing complies with UK Data Protection Legislation and any applicable Local Data Protection Legislation, including by entering into a data sharing agreement where appropriate.

16.6 For the avoidance of doubt the terms “personal data”, “controller”, “processor”, and “processing” used in this clause 16 shall have the meanings given to them in the UK Data Protection Legislation.

17. **Changes to the Project**

17.1 Any change to the Project proposed by the Recipient (including, for the avoidance of doubt, any change to the Project Plan, any Milestone and or the Budget) shall be submitted to MDC in writing in the form provided by MDC for such purposes from time to time in accordance with clause 27 (Notices) below.

17.2 MDC shall consider the proposed change (and where required by the PACE Agreement shall consult the other PACE Partners) and, at its discretion and if it considers that it is in the interests of the Project to do so, it may approve the change in writing to the Recipient. MDC and the Recipient shall agree in writing any amendments required to the Project Plan and/or Budget in order to effect a change approved by MDC.

17.3 Where a change proposed by the Recipient and approved by MDC requires a change to the terms of this Agreement that is not limited to an amendment to the Project Plan and/or the Budget, MDC may require that the parties enter into a formal variation to this Agreement.

17.4 For the avoidance of doubt, minor changes relating to the manner in which the Project is delivered which do not require an amendment to the Project Plan or Budget shall not require MDC’s prior approval in accordance with this clause 17 and may be implemented by the Recipient without first consulting MDC but must be recorded in writing.

18. **Limitation of Liability**

18.1 Nothing in this Agreement shall limit or exclude either party’s liability for:

18.1.1 death or personal injury caused by its negligence, or the negligence of its personnel, agents or subcontractors;

18.1.2 fraud or fraudulent misrepresentation; or

18.1.3 any other liability which cannot be limited or excluded by applicable law.

18.2 Other than the Recipient’s liability under the indemnity at clause 19 (Indemnity) and the liability of both parties in relation to the circumstances set out at clause 18.1 (Unlimited liability), neither party to this Agreement shall have any liability to the other party, whether in contract, tort (including negligence), breach of statutory duty, or otherwise, for any indirect or consequential loss arising under or in connection with this Agreement.

- 18.3 Subject to clause 18.1 (Unlimited liability) and clause 18.2 (Excluded losses) the liability of MDC under this Agreement shall be limited to the value of the Award subject to, and in accordance with, the terms of this Agreement.
- 18.4 MDC shall to no extent be liable, financially or otherwise, for any liability, expenditure, claims, demands, actions, costs, expenses, losses and/or damages arising out of or in relation to:
- 18.4.1 any non-payment of the Award on the date the Award is due for payment;
- 18.4.2 any liabilities or expenditure associated with the Project, including any overspend by the Recipient or any employment liabilities of the Recipient (including, but not limited to, redundancy); and/or
- 18.4.3 any use of the Award by the Recipient.
- 18.5 The Recipient will be liable for any liabilities which arise in connection with the Project and the use of the Award by the Recipient, including any losses which arise as a result of the acts or omissions of any Collaborator or other third party engaged in the delivery of the Project by the Recipient.
- 18.6 Subject to clause 18.1 (Unlimited liability) and clause 18.2 (Excluded losses) the total aggregate liability of the Recipient under this Agreement shall not exceed 200% of the value of the total Award. This clause 18.6 shall not limit the Recipient's liability in respect of any claim made by a third party for infringement of IP Rights or any breach of clause 16 (Data Protection).

19. **Indemnity**

- 19.1 The Recipient shall indemnify and keep fully indemnified MDC and the PACE Partners and their Affiliates, and their directors, employees, consultants, advisors, partners, or officers (each an "**Indemnified Person**") on demand against all liabilities, claims, demands, actions, costs, expenses (including legal and professional fees), losses and damages made or brought by, or owing to, any person and in any way arising out of or incurred by an Indemnified Person in connection with any claim (including any claim made by a third party for infringement of IP Rights) or regulatory action threatened or made (including by the Charity Commission, OSCR and/or the ICO and whether or not involving any legal action or proceedings) by any person against any Indemnified Person and arising from or occurring as a result of the conduct of the Project, other than to the extent that such claim or action arises because of a breach of this Agreement by the Indemnified Person.

20. **Suspension, Termination and Repayment**

20.1 **Suspension**

- 20.1.1 MDC shall be entitled to suspend or withhold payments of the Award to the Recipient in the event that a right to terminate this Agreement as set out in clause 20.2 arises or it reasonably suspects that the Recipient (or any Collaborator of the Recipient) has or may use the Award otherwise than in accordance with the terms of this Agreement. The decision of MDC to withhold or suspend any payment of the Award shall be without prejudice to its other rights and remedies.

20.2 **Termination**

- 20.2.1 This Agreement shall terminate automatically at the end of the Project Period.
- 20.2.2 Without limiting its other rights or remedies, MDC may terminate this Agreement with immediate effect by giving written notice to the Recipient if:

- (a) the Recipient breaches any of provision of this Agreement which is either not capable of remedy or, if it is capable of remedy, has not been remedied to the satisfaction of MDC within 14 Business Days from the date that it is notified of the breach by MDC (or such other period as agreed by MDC);
- (b) the Recipient fails to meet any Milestone by the relevant Milestone Date and MDC does not agree to waive or amend such Milestone;
- (c) the Recipient makes an assignment of this Agreement in breach of clause 26 (Assignment);
- (d) the Recipient suspends or ceases to operate all, or a substantial part, of its business or there is any change to the legal status or ownership of the Recipient
- (e) the Recipient is, in the reasonable opinion of MDC, delivering the Project in a negligent manner and has failed to address the concerns of MDC regarding the same to the satisfaction of MDC within 10 Business Days of such concerns being provided by MDC to the Recipient in writing;
- (f) the Recipient provides MDC (or any other PACE Partner) with any materially misleading or inaccurate information;
- (g) the Recipient commits fraud, bribery or serious financial mismanagement in respect of the Project; and/or
- (h) a Serious Incident has occurred in connection with the Project as a result of the action or omission of the Recipient (or any Collaborator or third party engaged by the Recipient to deliver the Project);
- (i) the Recipient makes any material change, modification or amendment to the Project or Budget without MDC's prior written consent. For the avoidance of doubt, any modification to the Project which means that the Project is beyond the scope of the Purpose would be "material" for the purposes of this clause 20.2.2(i);
- (j) the right for MDC to terminate this Agreement as a result of any Key Personnel transferring to another institution or being otherwise unable or unwilling to continue their work on the Project arises in accordance with clause 10.3;
- (k) the Recipient commits a breach of clause 4.6 (Subsidy);
- (l) the Recipient has otherwise applied for and/or received duplicate funding for the Project in breach of clause 4.3.7 above;
- (m) the Recipient has used the Award for:
 - (i) purposes other than the Purpose,
 - (ii) purposes other than the Project as set out in the Project Plan in Schedule 1 (including the Award Proposal); or
 - (iii) any Ineligible Costs;
- (n) the right for MDC to terminate the Agreement as a result of change to the laws of England and Wales, Subsidy Law or UK Government arises in accordance with clause 23.1; or
- (o) the PACE Agreement expires or is terminated, and MDC and the other PACE Partners agree that the Project should also terminate.

20.2.3 Without limiting its other rights or remedies, either party may terminate the Agreement with immediate effect by giving written notice to the other party if:

- (a) the other party becomes insolvent, or is placed into receivership, administration or liquidation, or a petition has been presented for its winding up, or it enters into any arrangement or composition for the benefit of its creditors, or it is unable to pay its debts as they fall due and any required repayment of funds would be in accordance with and pursuant to any dissolution or liquidation proceeding; or
- (b) the right to terminate this Agreement as a result of a Force Majeure Event arises pursuant to clause 22.3 (Force Majeure) of this Agreement.

20.3 Repayment of the Award

20.3.1 MDC's intention is that the Award will be paid to the Recipient in full. However, without prejudice to MDC's other rights and remedies, MDC has the right to require immediate repayment of any part of the Award (regardless of whether such funds have been spent or committed):

- (a) where any fraud (including research fraud) or misconduct has occurred in relation to the Project, or where the Award have been used other than in accordance with the Purpose or the Project in accordance with terms of this Agreement; or
- (b) in accordance with Clause 4.4 (Subsidy),

regardless of whether MDC also terminates this Agreement in accordance with clause 20.2 above.

21. Consequences of Expiry or Termination

21.1 On expiry or termination of this Agreement:

21.1.1 the Recipient will cease to deliver the Project;

21.1.2 MDC shall not distribute any further Award sums to the Recipient;

21.1.3 MDC shall terminate the Recipient's access to any Services provided by any Delivery Partner engaged by MDC;

21.1.4 MDC and the other PACE Partners shall cease to provide any in-kind support to the Recipient (if any);

21.1.5 MDC and the Recipient shall take all reasonable steps to mitigate any negative impact on the PACE Programme and the Recipient shall provide MDC with written confirmation of the same at MDC's request;

21.1.6 the Recipient shall, within 90 days of the expiry or termination of this Agreement, provide MDC with a final report in accordance with clause 8 (Accounts and Reporting) and other reporting required in accordance with paragraph 7 of Part 2 of Schedule 1 (Project Plan);

21.1.7 all licences under clause 12 (Intellectual Property) shall immediately terminate (unless otherwise agreed by the parties);

21.1.8 the Recipient and MDC shall, within 30 days of the expiry or termination of this Agreement, destroy or return to the other party, in accordance with instructions from the other party, all materials containing, bearing and/or using Confidential Information or IP Rights (including without limitation the PACE Trade Marks and/or Recipient Trade Marks) relating or belonging to the other party, other than:

- (a) to the extent it is required by law to retain such material;
- (b) either party's advisors may keep one copy of any materials in their possession for record keeping purposes as required by law or professional duties; and
- (c) either party may retain one copy of any such materials in its archives for routine backup purposes only, and the obligations of confidentiality relating to such retained materials shall continue for as long as such materials are retained.

21.1.9 each party required to destroy or return materials in accordance with this clause 21.1, shall, however, be entitled to retain materials relating to the other party to the extent strictly required by law, and any party's advisors may keep one copy of any materials in their possession for record purposes as required by law or professional duties; and

21.1.10 the rights and obligations of the parties under this Agreement shall terminate and be of no future effect, except that clauses 1, 4.4, 4.5, 7, 8, 9, 11, 12.6, 13, 15, 16, 18, 19, 21, 26.3, 27, 28 and Schedule 1 Part 2 paragraph 8 any other warranties and indemnities provided in this Agreement shall remain in full force and effect.

21.2 In the event that this Agreement is terminated, or the Award reduced in value, for any reason, MDC (or any other PACE Partner) shall have no liability for payment, redundancy or any other compensatory payment for the dismissal of staff funded by the Award.

22. Force Majeure

22.1 If either party is affected by a Force Majeure Event ("**the Affected Party**") it shall:

22.1.1 as soon as reasonably practicable after the start of the Force Majeure Event but no later than three (3) Business Days from becoming aware of it, notify the other party in writing of the Force Majeure Event, the date on which it started, its likely or potential duration, and the effect of the Force Majeure Event on its ability to perform any of its obligations under this Agreement and the likely effect of its inability to perform such obligations on the Project overall; and

22.1.2 use all reasonable endeavours to mitigate the effect of the Force Majeure Event on the performance of its obligations.

22.2 The obligations of both parties under this Agreement shall be suspended for the duration of the Force Majeure Event.

22.3 If the Force Majeure Event prevents, hinders or delays the Affected Party's performance of its obligations for a continuous period of more than sixty (60) Business Days then either party may terminate this Agreement pursuant to clause 22.1 of this Agreement.

23. Change in Law and Policy

23.1 In the event that there is a change to the laws of England and Wales, Subsidy Law or UK Government or devolved administration policy which affect MDC's ability to continue funding the Project as part of the PACE Programme, MDC may terminate this Agreement pursuant to clause 20.2.2(n) of this Agreement. MDC shall provide as much written notice as is reasonably practicable to the Recipient in exercising its rights under this clause.

23.2 In the event of termination pursuant to clause 23.1, MDC will meet any Permitted Expenditure in respect of the Project that the Recipient has reasonably incurred (including where such Permitted Expenditure has been paid or irrevocably committed by the Recipient) before the date of termination of this Agreement.

24. **Dispute Resolution**

24.1 In the event of any dispute arising between the parties in relation to this Agreement the matter should first be referred for resolution to the MDC Lead and Recipient Lead, or such other individual nominated by the relevant party in writing from that party to the other party from time to time.

24.2 If a dispute remains unresolved within 14 days of the matter first being referred to the nominated individual, either party may refer the matter to the an appropriate person in the senior management team of the Recipient, as notified from the Recipient to MDC from time to time, and to a senior member of the MDC management team, as notified from MDC to the Recipient from time to time, who will attempt to resolve the dispute by agreement within 28 days, or such other period as may be mutually agreed by MDC and the Recipient, from the date of referral. MDC shall consult with the other PACE Partners in resolving any dispute escalated to a senior member of the MDC management team under this clause 23.2.

24.3 In the absence of agreement under clause 24.2, the parties may seek to resolve the matter through mediation under the CEDR Model Mediation Procedure and the parties shall bear the costs and expenses of the mediation equally.

24.4 If the Parties reach agreement on the resolution of the dispute, the agreement shall be recorded in writing and shall be binding on the parties once it is signed by both MDC and the Recipient.

25. **Human Rights and Anti-Bribery**

25.1 In performing its obligations under this Agreement, and operating its business, the Recipient shall:

25.1.1 at all times (and make all efforts to ensure its staff also) comply with the provisions of the Human Rights Act 1998 in the performance of this Agreement as if the Recipient were a public body (as defined in the Human Rights Act 1998);

25.1.2 at all times (and make all efforts to ensure its staff also) comply with all applicable anti-slavery and human trafficking laws, statutes, regulations and codes from time to time in force including but not limited to the Modern Slavery Act 2015;

25.1.3 not engage in any activity, practice or conduct anywhere in the world that would constitute an offence under sections 1, 2 or 4, of the Modern Slavery Act 2015 if such activity, practice or conduct were carried out in the UK;

25.1.4 take account of good practice recommended by the National Audit Office Assessment Criteria for Whistleblowing policies;

25.1.5 have appropriate policies and processes in place in order to foster Safeguarding and to adhere to UKRI-Innovate UK's Preventing Harm (Safeguarding) in Research and Innovation policy;

25.1.6 have and shall maintain in place throughout the term of this Agreement its own policies and procedures, including adequate procedures under the Bribery Act 2010, to ensure compliance with this clause, and will enforce them where appropriate; and

25.1.7 promptly report to MDC any request or demand for any undue financial or other advantage of any kind received by the Recipient in connection with the performance of this Agreement.

25.2 The Recipient shall ensure that any Collaborator does so only on the basis of a written contract which imposes on and secures from such person terms equivalent to those imposed on the Recipient in this clause 25. The Recipient shall be responsible for the observance and performance by such persons of these anti-bribery terms and shall be directly liable to MDC for any breach by such persons of any of these anti-bribery terms.

26. Assignment and Sub-contracting

26.1 The Recipient shall not assign, transfer, sub-contract or in any other way transfer to any third party the benefit and/or the burden of this Agreement or transfer or pay to any other person any part of the Award, except as permitted by clause 26.2 below.

26.2 The Recipient may sub-award or sub-contract any part of the Award to any third party for delivery of any part of the Project in accordance with the Project Plan (including to a Collaborator identified in the Project Plan) but in all other cases must obtain the prior written consent of MDC to any sub-granting or contracting. In every case, including where the Recipient engages a Delivery Partner or other third party provider to provide Services to the Project, the Recipient shall:

26.2.1 carry out appropriate due diligence to ensure that such third party providers are appropriately qualified to deliver the Services and will not harm the reputation of the Project, the PACE Programme or of any PACE Partner, save to the extent that MDC has carried out such due diligence into any third party who is a Delivery Partner;

26.2.2 enter into an appropriate Services Agreement or sub-grant agreements with any such third party. Such Services Agreement and/or sub-grant agreements shall flow down the relevant provisions of this Agreement to ensure that the Award is used only as permitted by this Agreement and that the Recipient shall continue to meet its obligations to MDC under this Agreement; and

26.2.3 provide a copy of any such Service Agreements or sub-grant agreements to MDC , on MDC's request.

26.3 The Recipient shall be responsible for the acts and omissions of any third party that it engages in the delivery of the Project in accordance with clause 26.2 above (including any Collaborator) and shall indemnify and hold harmless MDC and the other PACE Partners, their Affiliates, employees, agents, officers and sub-contractors in respect of all liabilities, claims, demands, actions, costs, expenses, losses and damages made or brought by, or owing to, any person and in any way arising out of or incurred in connection with any sub-contract or sub-grants of the Award that it enters into or makes.

26.4 For the avoidance of doubt, MDC shall be entitled to assign the benefit and/or the burden of this Agreement to any other PACE Partner or such other third party as directed by the other PACE Partners if its involvement in the PACE Programme is terminated in accordance with the terms of PACE Agreement.

27. Notice

27.1 Any notice to be given by a party to another under this Agreement may be personally delivered, sent by recorded delivery to the address of another party notified to it in writing, or sent to an e-mail address notified in writing for the purpose. Personally delivered or e-mailed notices (where there is no bounce-back) shall, if sent on a working day before 5pm in London, be deemed to be received that same day and notices otherwise delivered on the next working day.

27.2 The parties' email addresses for the purpose of this clause are:

27.2.1 MDC: legal@md.catapult.org.uk

27.2.2 Recipient: [*to be inserted*]

28. General

28.1 **No Partnership or Agency.** This Agreement shall not create any partnership or joint venture between MDC (or any other PACE Partner) and the Recipient, nor any relationship of principal and agent, nor authorise any party to make or enter into any commitments for or on behalf of the other party.

28.2 **Contracts (Rights of Third Parties) Act 1999.** This Agreement does not and is not intended to confer any contractual benefit on any person pursuant to the terms of the Contracts (Rights of Third Parties) Act 1999 other than the rights conferred to the other PACE Partners set out in this Agreement.

28.3 **Entire Agreement.** This Agreement constitutes the whole agreement between the parties in relation to the Project and supersedes any previous agreement in relation to the Project. Any amendments to this Agreement must be made in writing signed for and on behalf of both parties.

28.4 **Waiver.** No exercise or failure to exercise or delay in exercising any right, power or remedy to which a party is entitled under this Agreement shall constitute a waiver by that party of that or any other right, waiver or remedy.

28.5 **Severance.** If any provision or part-provision of this Agreement is or becomes invalid, illegal or unenforceable, it shall be deemed deleted, but that shall not affect the validity and enforceability of the rest of this Agreement. If any provision or part-provision of this Agreement is deemed to be deleted in accordance with this clause, the parties shall negotiate in good faith to agree a replacement provision that, to the greatest extent possible, achieves the intended commercial result of the original provision.

28.6 **Amendments.** No variation or amendment of this Agreement will be effective unless agreed in writing by the parties and signed for and on behalf of each of the parties.

28.7 **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of England and Wales and the parties irrevocably submit to the exclusive jurisdiction of the courts of England and Wales to settle any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with this Agreement or its subject matter or formation.