***Guidance notes on reporting and use of this template***

***General notes*** *– Unless agreed otherwise for particular awards, Wellcome requires annual reporting on IP and commercialisation efforts for all its awards relating to research -see our* [standard grant conditions](https://wellcome.ac.uk/funding/managing-grant/grant-conditions) *at 4.7, together with our* [policy on intellectual property](https://wellcome.ac.uk/funding/managing-grant/policy-intellectual-property) *and our* [policy on consent and revenue and equity sharing](https://wellcome.ac.uk/funding/managing-grant/policy-consent-revenue-equity-sharing)*. This template letter (with the relevant appendices) should be used annually to report to Wellcome collectively on all research awards (both currently active awards and historic awards for which Wellcome-funded IP is still in force).*

*This template is intended primarily for universities, research institutes and other such organisations (referred to collectively hereafter as “organisations”). Organisations should include all relevant matters arising from awards made by Wellcome’s Innovations Team, as well as those made by Wellcome’s Science Team. This is notwithstanding that many Innovations awards are made under bespoke agreements rather than our standard grant conditions.*

*Companies in receipt of Wellcome funding should also use this template to report to Wellcome, if directed to do so by Wellcome’s Innovations Team.*

*Notes on completing this report are shown in [highlighted italics] throughout the template and should be deleted as you complete your report.*

*Unless you have agreed a different reporting period with Wellcome,* ***you must submit your reports by the end of February each year*** *in relation to the previous calendar year’s activities.*

***Cover Letter options 1 and 2.*** *– Please use**Option 1 if you are making a report. Alternatively, please use Option 2 to confirm you have nothing to report, i.e. if during the relevant period:*

* *no Wellcome-funded IP has been created or abandoned;*
* *no relevant transactions were entered into or terminated;*
* *no revenue/equity was received from commercialising Wellcome-funded IP, and*
* *you did not retain Wellcome revenue share from the previous year.*

***Appendix 1*** *–* ***Consolidated IP and Commercialisation report****. This forms the main body of your report to Wellcome. If any section does not apply, for example if no new patent applications were filed in the period, please leave the relevant section heading in the report and state under it “None”.*

***Appendix 2 – Revenue and Equity Sharing Agreement****. This is only required if you have entered into one or more commercialisation agreements related to Wellcome-funded IP during the reporting period. If no such agreements have been entered into, this may be omitted.*

***Appendix 3 – Revenue Retention Request.*** *Use this to apply to retain some or all of Wellcome’s share of any revenue from your commercialisation of Wellcome-funded IP****.*** *See paragraph 6 of our* [Policy on consent and revenue and equity sharing](https://wellcome.ac.uk/funding/guidance/policy-consent-revenue-equity-sharing) *for further details.*

***Point of Contact*** *– if there is a change to your designated point of contact (as given in part 1 of Appendix 1) during the year following your report, please provided updated details by email to* InnovationsOperations@wellcome.ac.uk*.*

***Submission of completed reports*** *- Completed reports (and any questions concerning their completion) should be emailed to* InnovationsOperations@wellcome.ac.uk*.*

***Translation Partnership Awards (TPAs) –*** *if your organisation is in receipt of an Innovations TPA, you may cross refer to content within a submitted TPA report to avoid duplication.*

*Personal information provided by you shall only be collected, stored and used by Wellcome to the extent that the law allows. Most commonly we will use it to analyse what Wellcome funds and how we fund it. See our* [Wellcome Grants Privacy Statement](https://wellcome.ac.uk/sites/default/files/wellcome-grants-privacy-confidentiality-statement-20180529.pdf) *for full details.*

*Wellcome will treat the contents of your report as confidential, as set out in section 9*

*[Letter to be sent on Organisation’s letterhead]*

Innovations Operations

The Wellcome Trust

215 Euston Road

London

NW1 2BE

By Email to: InnovationsOperations@wellcome.ac.uk

[*Date*]

Dear Wellcome

**[*Name of Organisation*] Consolidated IP and Commercialisation Report covering the period 1 January [*YYYY*] to 31 December [*YYYY*]**

[***Option 1*** *– use if reporting IP creation, IP related transactions, revenue/equity generation from commercialisation and/or use of previously retained Wellcome revenue share.* Please delete any declarations which do not apply].

Please find attached our report to Wellcome for the period above. This report comprises the following appendices: [*delete as appropriate]*

1. Consolidated IP and Commercialisation report
2. Revenue and Equity Sharing Agreement
3. Revenue Retention Request

**Declarations:** *[the first declaration should be given in every case, for the other three please select and include those that apply]*

This is a complete and accurate report of [*Named organisation’s]* activities relating to the creation, management and commercialisation of Wellcome-funded IP during the period covered.

[We agree to the revenue and equity sharing terms and conditions set out in Appendix 2 in connection with each commercialisation agreement entered into relating to Wellcome-funded IP during this period, save where bespoke arrangements have been agreed separately with Wellcome’s Innovations Team.]

[I confirm that all financial information and revenue & equity share calculations contained in this report are complete and accurate.]

[We are applying to retain some, or all, of Wellcome’s share of revenue. The activities we are proposing to support using the retained funds (as described in Appendix 3) are “New Activities” as defined therein and we agree to the terms and conditions applicable to this revenue retention request, as set out in Appendix 3, should Wellcome approve our request.]

[***Option 2*** *– use if making a null report*]

I confirm that:

* no Wellcome-funded IP has been created or abandoned by [*Name of Organisation*] during the period;
* no transactions to commercialise Wellcome-funded IP were entered into or terminated by [*Name of Organisation*] during the period;
* no revenue or equity was received by [*Name of Organisation*] during the period in connection with the commercialisation of Wellcome-funded IP, and
* [*Name of Organisation*] did not retain any of Wellcome’s revenue share from the previous period.

|  |  |
| --- | --- |
| Signed for and on behalf of [**Organisation**] by: |  |
| Signed: |  |  |
| Name: |  |  |
| Title: | [*Pro-Vice-Chancellor or other senior figure within the organisation*] |  |
| Date: |  |  |

[*please include the following confirmation if a technology transfer group has been involved in the preparation of this report on behalf of the above organisation*]

Read and approved by [**technology transfer GROUP**]:

|  |  |
| --- | --- |
| Signed: |  |
| Name: |  |
| Title: | [Managing Director/Head] |
| Date: |  |

**Appendix 1 – Consolidated IP and Commercialisation Report**

1. **Introduction**

The following is a summary of the creation and protection of Wellcome-funded IP assets during the period to which this report relates, across all research related Wellcome awards to this organisation. It also describes any transactions which relate to commercialising Wellcome-funded IP. Finally, it sets out all revenue and equity from commercialising Wellcome funded IP which has been received during the period.

Any queries concerning the contents of this report, or otherwise related to the management or commercialisation of Wellcome funded IP should be addressed in the first instance to the following point of contact:

*[please provide details for your primary point of contact on IP matters. If this changes over the forthcoming year (prior to your next report) please do let us know at* InnovationsOperations@wellcome.ac.uk *and provide updated details.]*

|  |  |
| --- | --- |
| Name: |  |
| Position: |  |
| Email address: |  |
| Telephone number: |  |

1. **Summary**

|  |  |
| --- | --- |
| Number of Wellcome Awards | *[Insert number of active awards from Wellcome to your organisation. Please include all awards which were active at any point during the period, even if they expired before the end of the period]* |
| Aggregate funding received from Wellcome over the period (£) | *[Insert value]* |
| Aggregate co-funding received over the period (£) (i.e. funding received from a third party concurrently with the Wellcome project, in part support of such project) | *[Insert value]* |
| Aggregate follow-on or leveraged funding received over the period (£) (i.e. funding received from a third party after the end of any Wellcome project, to support the further development of the IP generated as part of the Wellcome project).  | *[Insert value]* |
| New invention disclosures received | *[Insert number]* |
| New patent applications filed | *[Insert number – multiple national applications relating to a single new patent family should count as 1]* |
| New transactions completed | *[Insert number of agreements listed in 4.1 below]* |
| Cases under active management at year end (being the number of Wellcome-funded projects for which we are actively seeking IP protection and/or are actively trying to commercialise results). | *[Insert number]* |

[*Please feel free to mention any particular highlights of the year if you wish to do so – though specific details should also be provided in the relevant sections below*.]

1. **IP Assets**
	1. **Invention Disclosures received during the period**

(*Please provide the “Status” below as either “N” for not being progressed as a patent application, “F” to denote it has been filed as a patent application or “P” for pending*)

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | Wellcome Award No.  | Organisation reference  | Named Inventors(Wellcome funded inventors in bold) | Title (or brief summary of inventive concept) | Status (N/F/P) |
| 1 |  |  |  |  |  |
| 2 |  |  |  |  |  |
| 3 |  |  |  |  |  |
| 4 |  |  |  |  |  |
| 5 |  |  |  |  |  |

**3.2. New patent applications filed during the period**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | Wellcome Award No.  | Organisation reference  | Named Inventors(Wellcome funded inventors in bold) | Patent application number (inc. country code) | Priority Date | Title  |
| 1 |  |  |  |  |  |  |
| 2 |  |  |  |  |  |  |
| 3 |  |  |  |  |  |  |
| 4 |  |  |  |  |  |  |
| 5 |  |  |  |  |  |  |

*[further details of each application should be provided in Section 6 below] If the linkage to an IDF shown in 3.1 is not obvious from the organisation reference and/or title, please cross refer to the relevant row in table 3.1.*

**3.3 Granted patents (in force as at the end of the period)**

(*For patent families please use a single row below. Provide all patent numbers and a single representative title*)

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | Wellcome Award No.  | Organisation reference  | Named Inventors (Wellcome funded inventors in bold) | Patent Number(s)  | Priority Date | Title  | Licensed (Y/N) |
| 1 |  |  |  |  |  |  |  |
| 2 |  |  |  |  |  |  |  |
| 3 |  |  |  |  |  |  |  |
| 4 |  |  |  |  |  |  |  |

*[further details of each patent should be provided in Section 6 below]*

**3.4 Other material Wellcome-funded IP (excluding patents) created during the period**

*[please provide details below of any other (non-patent) intellectual property rights such as material copyrights (e.g. new software), significant collections of licensable know-how, commercialisable databases and design rights arising from Wellcome award activities during the period.]*

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | Wellcome Award No.  | Organisation reference  | IP Type  | Creator(s) (Wellcome funders creators in bold) | Brief Description |
| 1 |  |  |  |  |  |
| 2 |  |  |  |  |  |
| 3 |  |  |  |  |  |
| 4 |  |  |  |  |  |

*[further details of each piece of IP should be provided in Section 6 below*

1. **Transactions relating to Wellcome-funded IP**
	1. **New Agreements entered into during the period**

*[please provide details below of all transactions relating to commercialising Wellcome-funded IP such as licences, options, assignments, evaluation agreements etc , including those made to spin-outs, entered into during the period. Confidentiality agreements / NDAs and low value MTAs (being any MTA with associated payments below £10,000 in annual revenue) may be omitted.]*

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | Wellcome Award No. | Organisation reference  | Counterparty  | Type of transaction and brief description of underlying IP right | Effective date | Rev. share |
| 1 |  |  |  |  |  | *[Standard/bespoke]* |
| 2 |  |  |  |  |  | *[Standard/bespoke]* |
| 3 |  |  |  |  |  | *[Standard/bespoke]* |
| 4 |  |  |  |  |  | *[Standard/bespoke]* |

*[A copy of each of the agreements listed above must be provided to Wellcome when submitting this report]*

*[Note that the standard revenue and equity sharing agreement in Appendix 2 will apply to each of the new transactions above unless other “bespoke” arrangements have been agreed with Wellcome’s Innovations Team. See the notes to 7.1 below. However, if no new transactions have been entered into during the period then Appendix 2 may be omitted.]*

* 1. **Other Live Agreements (remaining in force as at the end of the period)**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | Wellcome Award No. | Organisation reference  | Counterparty  | Type of transaction and brief description of underlying IP right | Effective date |
| 1 |  |  |  |  |  |
| 2 |  |  |  |  |  |
| 3 |  |  |  |  |  |

*[please provide details of all other (i.e. older) material transactions (not listed in 4.1 above) relating to commercialising Wellcome-funded IP such as licences, options, assignments (with potential for on-going payments), evaluation agreements etc, including those made to spin-outs, and which were in-force at the end of the period]*

1. **IP & Agreements abandoned, expired or terminated during the term**

*[please provide below brief details of Wellcome-funded intellectual property rights abandoned, expired or revoked during the period and any historic commercialisation agreements which terminated or expired during the term.]*

|  |  |  |  |
| --- | --- | --- | --- |
|  | Wellcome Award No.  | Organisation reference  | Brief description of abandoned, expired or terminated rights/agreements and the rationale for abandonment or termination |
| 1 |  |  |  |
| 2 |  |  |  |
| 3 |  |  |  |

1. **Case Summaries**

*[Please provide a short description of the current status and the progress made during the year, in relation to each of your portfolio of active cases relating to Wellcome-funded IP. This should include cases which are under development (i.e. where you are actively seeking new protection for Wellcome-funded IP and/or new commercial opportunities for existing IP). It should also include brief updates regarding cases where licences have already been agreed, e.g. post deal cases. For each case please provide your organisation’s reference, the Wellcome Award number, the name of the member of your team with responsibility for managing the case, the technology type, the disease area, the phase of development and whether there is any industry/commercial involvement. We are particularly interested in hearing how commercialisation efforts have (or are expected to) lead to public benefit and advance Wellcome’s charitable mission of improving health.]*

*[If you have a number of cases to report on, and if it makes sense to divide this section up into different parts (e.g. those cases in development and those post-deal, or divided by IP type (patents / copyright / reagents etc) please do so as you see fit.]*

**7 Financial Reporting**

**7.1 Revenue**

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| Wellcome Award No. | Organisation reference | Gross Income (£) | Direct Costs (£) | Net Income (£) | Wellcome % Contribution | Wellcome Revenue Share % | Revenue attributable to Wellcome (£) |
|  |  |  |  |  |  | 25% |  |
|  |  |  |  |  |  | 25% |  |
|  |  |  |  |  |  | 25% |  |
|  | TOTALS (£) |  |  |  | n/a | n/a |  |

*[For each case where your organisation has generated revenue during the period from the commercialisation of Wellcome-funded IP, please set out the figures specified above and calculate the revenue attributable to Wellcome. See Appendix 2 for the definitions of Gross Income, Direct Costs and Net Income.*

*[Note that in May 2018 Wellcome simplified its standard revenue and equity share for projects governed by our standard* [Grant Conditions](https://wellcome.ac.uk/funding/managing-grant/grant-conditions) *- adopting a flat rate 25% Wellcome share, with no technology transfer fee. Universities, research institutes and others holding grants under Wellcome’s standard Grant Conditions may use this new simpler approach (as set out in appendix 2 of this template) when providing figures above and in 7.2 below, notwithstanding that you may have entered into a revenue share agreement with Wellcome prior to 1 May 2018 providing for a higher Wellcome share.*

*[Any awardholder having entered into bespoke funding arrangements with Wellcome’s Innovations Team (i.e. not under our standard Grants Conditions) and using this template to report their IP activities, should calculate revenue and equity as provided for by those bespoke arrangements, unless informed otherwise. Please contact* InnovationsOperations@wellcome.ac.uk *if you wish to discuss which arrangements should be applicable to you.]*

*[See 3.2 of Appendix 2 when determining the “Wellcome % Contribution” in 7.1 – where 3.2a applies this will be 100%. Please provide a brief written explanation and calculation below the table justifying a lower % should 3.2b of Appendix 2 apply to an award.]*

*[In each case Revenue attributable to Wellcome = Net Income(£) x Wellcome contribution (%) x Wellcome revenue share (%).]*

**7.2 Equity**

*[for each case where your organisation has obtained equity in an entity as part of a transaction, during the period, relating to Wellcome-funded IP, please set out details of the entity together with details of your equity holding and Wellcome's share of that equity in accordance with the relevant Revenue and Equity Sharing Agreement. Note that Wellcome’s standard share (under our standard Grants Conditions) is now 25%. Any awardholder having entered into bespoke funding arrangements with Wellcome’s Innovations Team (i.e. not under our standard Grants Conditions) and using this template to report their IP activities, should calculate revenue and equity as provided for by those bespoke arrangements, unless informed otherwise. Please contact* InnovationsOperations@wellcome.ac.uk *if you wish to discuss which arrangements should be applicable to you.]*

*[Please provide a brief written explanation and calculation justifying a lower % should 3.2b of our Revenue and Equity Sharing Agreement at Appendix 2 apply to an award.]*

**8 Reporting on previous revenue retention**

*[This section only applies to reports covering 2019 and onwards. From 2018, Wellcome has allowed organisations to request to retain some, or all, of Wellcome’s revenue share (if not already paid to Wellcome) to apply it to new translational activities or to support access to healthcare interventions. A condition of any such revenue retention is that you report on your use of the retained funds in your next annual report. If your organisation was allowed to retain revenue in a previous year then please set out full details here of:*

1. *the amounts retained;*
2. *the amounts spent to date;*
3. *any unspent amounts (to be returned to Wellcome);*
4. *what the retained funds have been spent on;*
5. *a confirmation that this spend matches the uses referred to when the request to retain the funds was originally made; and*
6. *how the funded activities have supported translation or access to healthcare interventions, with reference to any success metrics given in your original application.*

**9 Confidentiality**

9.1 Where either party discloses information about IP creation and/or commercialisation activities to the other pursuant to this report or otherwise, the receiving party shall keep such information confidential. For these purposes, ‘information’ includes but is not limited to any data, results, inventions, intended publications, intended or pending patent applications, designs, plans, agreements, commercial and/or financial information, whether disclosed in writing or orally. However, ‘information’ does not include information which is already in the public domain, which is otherwise lawfully known to the receiving party at the time of disclosure, is obtained lawfully from a third party or independently developed by the receiving party, or which is required to be disclosed in order to comply with a legal requirement.

9.2 The parties acknowledge that the information contained in this report may be information which the parties reasonably consider is exempt from disclosure under the Freedom of Information Act 2000 on the basis that it is confidential and/or commercially sensitive information, which if disclosed without the prior consent of the party to which the information relates, would, or would be likely to prejudice the commercial interests of that party.

9.3 Wellcome may disclose relevant data to co-funders (under appropriate confidentiality restrictions) and may publish aggregated data.

**Appendix 2 –** **Standard Revenue and Equity Sharing Agreement**

**1. DEFINITIONS**

1.1 ‘Commercialising Party’ means whichever of the Organisation or Technology Transfer Group (if there is one) as is, or will be, responsible from time to time for technology transfer and commercialisation matters with respect to the Wellcome-funded IP. For these purposes, ‘commercialisation’ includes but is not limited to commercialisation by way of licence, assignment, option, sale or other agreement, for cash or equity consideration. However, if Wellcome takes over responsibility as Commercialising Party in accordance with the Wellcome Grant Conditions, then references to Commercialising Party herein shall be construed as references to Wellcome.

1.2 ‘Cumulative Income’ means total Net Income received as a result of commercialisation of the Wellcome-funded IP.

1.3 ‘Direct Costs’ means all reasonable patent and legal costs and other incidental expenses that are incurred directly in connection with commercialisation of the Wellcome-funded IP, including official patent filing, prosecution, maintenance and renewal fees.

1.4 ‘Equity’ means the issuing of equity or any other interest (whether by way of debenture, warrant, security or otherwise) from time to time in any company in consideration of the commercialisation of Wellcome-funded IP.

1.5 ‘Grant(s)’ means those Wellcome award(s) identified in Appendix 1 above in connection with new transactions entered into by the Organisation, and its Technology Transfer Group (if relevant), during the period covered by that report and for which no bespoke revenue share approach has already been agreed (see Appendix 1 section 4.1 entitled “New Agreements”).

1.6 ‘Gross Income’ means all cash sums or other monetary consideration actually received in respect of commercialisation of the Wellcome-funded IP, including licence, signing and option fees, royalties, and milestones, but excludes any Equity or other interests (whether by way of debenture, warrant, security or otherwise) or monies paid specifically to fund the undertaking of a research programme.

1.7 ‘Intellectual Property’ means any and all rights in inventions, discoveries, materials, technologies, products, data, algorithms, software, know-how, patents, databases, copyright, trademarks, design rights, applications for any of the foregoing, moral rights, and any other intellectual property rights whether or not registered or capable of registration and whether or not subsisting in the UK or in any other part of the world.

1.8 ‘Net Income’ means Gross Income less:

(a) Direct Costs and

(b) any applicable taxes on Gross Income and Direct Costs.

1.9 ‘Organisation’ means the institution, organisation or company submitting the report to which this Revenue and Equity Sharing Agreement is attached.

1.10 ‘Other Party’ means Wellcome when the Organisation (or its designated Technology Transfer Group) is the Commercialising Party and means the Organisation should Wellcome become the Commercialising Party.

1.11 ‘Technology Transfer Group’ means a body which is responsible for providing technology transfer services to the Organisation and which carries out commercialisation activities with respect to the Wellcome-funded IP.

1.12 ‘Wellcome’ means The Wellcome Trust Limited as trustee of the Wellcome Trust, a charity registered in England with number 210183.

1.13 ‘Wellcome-funded IP’ has the meaning given to it in Wellcome’s Grant Conditions and includes Intellectual Property which is or has been created, exemplified or developed (whether in whole or in part) using the Grant, whether such Grant funds are used before or after an invention disclosure or patent filing, and whether or not any person in receipt of Wellcome funding or working on a Wellcome-funded Project is named in invention disclosure records.

1.14 ‘Wellcome-funded Project(s)’ means the research and other activities to which the funding under the Grant(s) have been applied.

1.15 ‘Wellcome Grant Conditions’ means Wellcome’s standard grant conditions, as may be amended from time to time (a copy of which are available [here](https://wellcome.ac.uk/funding/managing-grant/grant-conditions)).

**2. CONSENT TO COMMERCIALISE TRUST-FUNDED IP**

In consideration for your entering into the terms of this Revenue and Equity Sharing Agreement, Wellcome consents to the commercialisation of the Wellcome-funded IP via the new transactions referred to in clause 1.5 above.

**3. REVENUE SHARING**

3.1 In consideration for consent being granted pursuant to clause 2 above, the Commercialising Party shall share Gross Income and Equity as set out in this clause 3.

3.2 The Commercialising Party shall first determine if:

(a) the Grant (together with other Wellcome funds) is the sole source of funding for the Wellcome-funded Project, in which case clauses 3.3 and 3.4 shall apply to the total Gross Income or Equity received in respect of that Wellcome-funded Project, or

(b) the Grant (together with other Wellcome funds) is not the sole source of funding for the Wellcome-funded Project, in which case the Gross Income or Equity received in respect of that Wellcome-funded Project shall be pro-rata calculated to take into account:

i) the inventive contribution of each of the inventors/creators; followed by

ii) the proportionate funding contributions of Wellcome, the Organisation and other third party funders of each such inventor/creator as appropriate (such funding contribution to exclude any salary support provided by the Organisation from its internal funding, overhead or other indirect costs including higher education funding council funding);

and the revenue and equity sharing formulae set out in clauses 3.3 and 3.4 below shall then apply to the portions of Gross Income or Equity attributed to the Wellcome contribution pursuant to this clause 3.2(b).

**Income Sharing:**

3.3 Where income is received, the Commercialising Party shall in respect of each individual Wellcome-funded Project that is exploited:

(a) receive Gross Income due;

(b) deduct and reimburse as appropriate any and all Direct Costs;

(c) Unless otherwise agreed in writing distribute remaining Net Income received in the following revenue shares: Organisation and Technology Transfer Group 75% (seventy-five per cent) and Wellcome 25% (twenty-five per cent).

**Equity Sharing:**

3.4 Where rights to take Equity are received, the Commercialising Party shall in respect of each individual Wellcome-funded Project that is exploited:

(a) share any Equity received in the following proportions: Organisation and Technology Transfer Group 75% (seventy-five per cent) and Wellcome 25% (twenty-five per cent); and

 (b) Unless otherwise agreed in writing, use all reasonable endeavours to ensure that the Equity is issued on terms whereby the proportionate shareholdings due to the parties are issued direct to them.

3.5 Wellcome’s share of any Net Income or Equity shall be allocated to Wellcome prior to the deduction of any reward to the Organisation’s employees or students who are inventors, authors or creators of the Wellcome-Funded IP. The Organisation shall be solely responsible for the payment of such reward (in accordance with its internal policies) out of the revenue and equity share to which the Organisation is entitled under clauses 3.3 and 3.4 above.

**4. ACCOUNTING, REPORTING AND PAYMENTS**

4.1 The Organisation shall, on an annual basis and in respect of each Wellcome-funded Project, provide to Wellcome (as part of its Consolidated IP and Commercialisation Report) the financial information specified from time to time in Wellcome’s template for that report.

4.2 The Commercialising Party shall keep accurate records and accounts relating to the protection and commercialisation of Wellcome-funded IP, including all relevant Direct Costs, Gross Income and Net Income, and the Other Party shall have the right to audit these in accordance with standard UK accounting practice on request. The Commercialising Party shall provide the Other Party with copies of supporting financial documentation and calculations on reasonable request.

4.3 The Commercialising Party shall send to the Other Party the appropriate payments within 30 (thirty) days of receipt of the proper VAT invoice(s). Late payments shall be subject to interest payable on demand at the rate of 4 (four) per cent above the then current Bank of England base rate. Interest shall be calculated daily and compounded quarterly from the due date to the actual date of payment inclusive.

4.4 All payments shall be made in pounds sterling unless otherwise agreed, and shall be exclusive of any taxes or duties that may be imposed, including value added tax, which shall, where applicable, be payable in addition at the rate in force at the due time for payment.

**5. MONITORING WELLCOME-FUNDED IP AND ITS COMMERCIALISATION**

5.1 With respect to the Wellcome-funded IP, the Commercialising Party must:

(a) unless copies are provided with this Revenue and Equity SharingAgreement, provide to the Other Party, as and when they arise, copies of any signed commercialisation agreements entered into; and

(b) deliver at least annually a report detailing the commercialization activities for that year to the Other Party, including details of any patent applications, grants and abandonments (including title, filing number and date). In the case of the Organisation being the Commercialising Party, this should take the form of their annual Consolidated IP and Commercialisation Report to Wellcome.

**6. GENERAL**

6.1 The Organisation shall be responsible for ensuring that its Technology Transfer Group (should it have one) complies with this Agreement.

6.2 This Agreement shall take effect from whichever is the earlier of the date of last signature of this Agreement or the date that commercialisation first takes place, and shall terminate on whichever is the later of the expiry of the last of the Wellcome-funded IP or when all revenues and equity due in respect of commercialisation of all the Wellcome-funded IP have been distributed to the parties in accordance with the provisions herein.

6.3 This Agreement is in addition to the Wellcome Grant Conditions (as may be amended from time to time), which continue to apply. Should there be any conflict between this Agreement and the Wellcome Grant Conditions, then this Agreement shall prevail.

6.4 Nothing in this Agreement shall give rise to any partnership or the relationship of principal and agent between Wellcome and either of the Organisation or its Technology Transfer Group.

6.5 All notices and communications relating to this Agreement shall be in writing.

6.6 None of the rights or obligations under this Agreement may be assigned or transferred without the prior written consent of the other party. This Agreement shall be binding on and enure for the benefit of the successors in title of the parties.

6.7 No waiver of any breach or default under this Agreement or any of the terms herein shall be effective unless such waiver is in writing and has been signed by the parties. No waiver of any such breach or default shall constitute a waiver of any other or subsequent breach or default.

6.8 If any provisions of this Agreement are held to be invalid, illegal or unenforceable (in whole or in part) such provisions or parts shall to that extent be deemed not to form part of this Agreement but the remainder of this Agreement shall continue in full force and effect. In the event of such deletion, the parties shall negotiate in good faith in order to agree the terms of a mutually acceptable alternative provision in place of the provision(s) so deleted.

6.9 Each party shall do and execute or arrange for the doing or executing of all acts, documents and things as may be necessary in order to implement this Agreement.

6.10 This Agreement (and any dispute, controversy, proceedings or claim of whatever nature arising out of this Agreement or its formation) shall be governed by and construed in accordance with the laws of England and Wales. The parties irrevocably submit to the exclusive jurisdiction of the Courts of England and Wales.

**Appendix 3 - Revenue Retention Request**

[*Your Organisation may apply each year to retain some or all of the revenue share due to Wellcome over the prior 12-months. Requests to retain funds can only be made in order to fund new translational activities which support Wellcome's mission to improve human health, or to support equitable access to healthcare interventions. Complete and return this appendix to Wellcome if you wish to make such an application. Wellcome will review the request and inform you of our decision. If Wellcome rejects your application (in whole or in part) we will issue an invoice for payment of our revenue share (or the relevant portion of it which remains due after any permitted revenue retention is deducted)*].

We [*insert name of Organisation*] apply to Wellcome to retain the sum of [£ ] due to Wellcome for the period 1 January [*YYYY*] to 31 December [*YYYY*] under our Revenue and Equity Sharing Agreement(s). If Wellcome agrees to this application, the retained funds will be applied to the following:

[*please insert full details and budget of how the funds will be used should Wellcome approve this application and how the activity/activities described will support new translational activities in line with Wellcome's charitable objectives to improve human health or will support equitable access to healthcare interventions. Wherever possible please include success metrics – you will be expected to report on whether these have been achieved in your next year’s Consolidated IP and Commercialisation Report].*

*[Please note that it is in Wellcome’s sole discretion whether to approve or reject any such application].*

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| **The following terms and conditions apply to all revenue retentions:**1. Unless otherwise agreed by Wellcome in writing, retained funds must only be used in support of the specific activities described in the above request.
2. Retained funds may only be used to support translational activity and/or to support equitable access to healthcare interventions, which in each case would not otherwise be carried out using other sources of funding (“New Activities”). Retained funds must not be used to subsidise existing activities or cover overheads such as existing Technology Transfer Group staff costs.
3. Unless otherwise agreed by Wellcome in writing, retained funds must be used prior to the due date for your Organisation’s next Consolidated IP and Commercialisation Report. Any retained funds which remain unspent must be identified in your next Consolidated IP and Commercialisation Report and thereafter must be returned to Wellcome unless specifically agreed otherwise.
4. You must provide Wellcome with full details of how the retained funds have been used in support of Wellcome’s mission. Unless otherwise agreed or requested by Wellcome, this update should form part of your next annual Consolidated IP and Commercialisation Report.
5. You must allow us, on reasonable notice, to audit your accounts, records, systems and facilities in relation to the retained funds and their use. Audits will be at our expense, however you agree to reimburse our audit costs should the audit reveal improper use of retained funds.
6. You must repay to us any part of the retained funds which has been used by you in breach of these terms and conditions.
7. You will be responsible for the payment of any VAT, withholding tax or other tax due, as if the full Wellcome Share had been paid to Wellcome. If VAT is due then the sum you retain will be net of VAT and Wellcome will invoice you and you agree to pay to Wellcome any VAT due on the Wellcome revenue share.
8. We do not accept any responsibility for financial or other liability incurred by you or others, arising from your retention and/or use of the retained funds.
9. Your retention and use of Wellcome’s revenue share may be subject to additional terms and conditions specified by Wellcome at the point we approve your request. In which case your retention of revenue will be subject to you agreeing any such additional terms and conditions in writing.
10. These terms and conditions shall be governed by and construed in accordance with the law of England and Wales and any dispute in connection with them shall be governed exclusively by the Courts of England and Wales.
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**Declaration and signature on behalf of Wellcome**

* Wellcome acknowledges receipt of this Consolidated IP and Commercialisation Report for the period described.
* [We agree to the revenue and equity sharing terms and conditions set out in Appendix 2 in connection with each commercialisation agreement entered into relating to Wellcome-funded IP during the period, save when bespoke arrangements have been agreed separately with our Innovations Team.]
* [If you have applied in your report to retain some or all of Wellcome’s share of revenue, then Wellcome’s decision in relation to that request (and any additional terms and conditions the retention will be subject to) is given below]:

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| --- |
| [*Wellcome to insert its decision here or state N/A if no revenue retention request has been made*] |

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| --- | --- | --- |
| Signed for and on behalf of **THE WELLCOME TRUST LIMITED** as trustee of the **WELLCOME TRUST**: |  |  |
| Signed: |  |  |  |  |
| Name: |  |  |  |  |
| Title: |  |  |  |  |
| Date: |  |  |  |  |
|  |  |  |  |  |

*[If additional terms and conditions are being imposed above by Wellcome on the Organisation’s use of the retained Wellcome revenue share, the Organisation will be asked to countersign below to accept them].*