



LSHTM Preferred Terms and Conditions for Research and Research-related Agreements Policy

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1. INTRODUCTION

1.1 Description

Application: This policy applies to all research and research-related agreements, both where external funds are being provided, or where LSHTM is paying out funds to a third party from an externally funded research project. The policy also applies to research and research-related agreements where no funding is involved, e.g. confidentiality agreements, material transfer agreements, data sharing agreements, etc.

Exceptions: Agreements for non-research activities (e.g. provision of education, provision of services, provision of consultancy, etc.), which should be in line with the appropriate School policies and regulations.

1.2 Aims

The Preferred Terms and Conditions for Research and Related Agreements (“**Preferred Terms**”) provide LSHTM with a framework for what terms are suitable or acceptable for an agreement covering research or research-related activity. The Preferred Terms aim to (i) protect the interests of both LSHTM and individual researchers, and (ii) ensure that appropriate benefit is received in relation to the outputs of research projects undertaken by LSHTM. This policy is not intended to be proscriptive, but rather to provide clear guidance on LSHTM’s preferred approach with respect to core terms within a research or research-related agreement; flexibility is retained to enable each agreement to be assessed in context (e.g. relative contributions of the parties, strategic aims, etc.) and appropriate escalation routes are detailed within the Preferred Terms.

The Preferred Terms enable the Research Operations Contracts Team to have a clear framework within which to operate and to balance different, and sometimes conflicting, aims by allowing the Contracts Team to:

1. Maintain consistency in negotiating practice and avoid setting unintentional precedents, by supporting a co-ordinated approach to funders/contracting parties. Where unfavourable terms are agreed with a third party, difficulties can arise for future projects with such party and terms agreed to previously are often used as leverage in future negotiations. A precedent set within a project in one department may have long term implications across the Faculty or indeed for School-wide research.
2. Achieve the most appropriate contractual position for a research project, underpinned by the following principles:
 - a) **To protect Academic Freedom to Operate in future research projects.**
As a minimum, LSHTM must retain certain basic rights to any Intellectual Property (IP) it generates from a research project, to protect Academic Freedom to Operate. Even if LSHTM does not retain ownership of IP it may generate in the course of a research project, it must retain a licence to use such IP for research and teaching purposes, both in order to allow future work in the same area, but also to help ensure that LSHTM meets its remit as an exempt charity.
 - b) **To be able to disseminate research outcomes.**
It is essential that LSHTM has freedom to disseminate the outcomes of research it conducts. The reason for this is two-fold: (i) to enable LSHTM to satisfy the ‘public benefit’ test, as an academic institution with charitable aims, and (ii) to ensure academic recognition for both LSHTM and its research staff. The School should not agree to terms which prevent it from being able to disseminate the results of its research within a reasonable timeframe.

c) To maximise opportunities in relation to research outcomes, where possible, and in proportion to other benefits.

At the heart of the many benefits of university research is IP, and it can be one of its prime assets. Ownership of IP arising from its research allows LSHTM to exercise the greatest degree of control over the use of IP rights, including use in further research and future commercialisation (where applicable). IP is key to future academic growth and development and has value in developing relationships with other research organisations. A third party may want to own the IP, but it might be that their requirements are met by securing the rights to use the IP, rather than ownership itself. Where LSHTM is unable to retain ownership of IP arising from its research, it should expect to receive a fair and reasonable share in any benefits generated from any subsequent commercialisation of that IP. Demonstrating an appropriate management over the use of IP LSHTM generates is a factor in meeting its remit as a public body.

d) To minimise financial and reputational risks and the liability of LSHTM

Risks can be difficult to quantify and require assessment of their likelihood, balanced against potential benefits. There are some contractual terms which LSHTM cannot accept under any circumstances within a research agreement (e.g. restriction on freedom to publish research results), whereas others may be acceptable in specific scenarios. The School also needs to ensure that activity it undertakes is covered under its insurance policies.

e) Ensure activity is capable of being classified as research (in order to meet LSHTM's remit as an exempt charity).

The preceding principles support LSHTM in meeting its remit as a public body. Universities are recognised as charities under law and exempt from tax on their core activities (teaching and research), therefore LSHTM must be able to demonstrate that these activities meet the principles laid down by the Charities Commission, and of Research England, that research activity meets the definition of charitable research (please see Appendix III for definition of "research"). Research may not be regarded as a charitable activity if its results are not disseminated either through publication or further application, or if their dissemination is so limited that there is no public benefit.

3. Provide a clear pathway for escalation, and the approval of contractual terms which might fall outside of this policy, to those School officers to whom responsibility for component parts of legally-binding contracts has been delegated (detailed in Appendix I). Terms outside of the policy may be acceptable under certain circumstances if the risks, or the likelihood of those risks occurring, are considered to be tolerable or their effect may be mitigated by further action, or the inclusion of additional terms.

2. PRINCIPLES GOVERNING THE PREFERRED TERMS AND CONDITIONS FOR RESEARCH AND RELATED AGREEMENTS

- 2.1 The Chief Operating Officer is LSHTM's recognised signatory for research and research-related agreements; they have delegated School authorisation (i.e. authority to enter into legally binding agreements) to named Research Operations and Legal Services team members and, as such, these individuals (at the Effective Date of this policy, Head of Research Operations, Head of Research Contracts and General Counsel) have the delegated authority to agree research and related agreements within the limits detailed in Appendix I.
- 2.2 The principles of the Preferred Terms apply equally to non-commercial and commercial funding (both grants and contracts), collaborative activities, and unfunded projects (where applicable).

2.3 Authority for approval of contractual terms outside of the preferred position has been assigned to School officers with relevant expertise e.g. terms relating to liability and insurance are referred to the Financial Controller or Finance Director, whereas terms relating to IP are referred to the Head of Research Contracts or General Counsel.

APPENDIX I: PREFERRED TERMS AND CONDITIONS FOR RESEARCH AND RESEARCH-RELATED AGREEMENTS

The following table outlines LSHTM's preferred financial and contractual position, and provides a framework within which the Research Operations Contracts Team is able to operate. The table sets out a number of accepted deviations from the preferred terms, including where these deviations might be appropriately used. To enable LSHTM to properly manage its contractual obligations, deviations beyond those set out in the table will need to be referred to the appropriate School officer, as set out in column 5 of the table. The identified School officers hold the authority to agree to specific deviations, or to make a recommendation that such a deviation presents too great a risk and that it should be rejected.

CORE TERM	PREFERRED TERM	ACCEPTABLE DEVIATIONS	APPROVAL AUTHORITY WITHIN PREFERRED TERM AND ACCEPTABLE DEVIATIONS	SCHOOL OFFICER ESCALATION ROUTE FOR TERMS <u>OUTSIDE</u> OF PREFERRED TERM AND ACCEPTABLE DEVIATIONS
Payment terms - frequency	<p><u>Incoming funds</u></p> <p>Quarterly in advance</p> <p>N.B. If the funder/party making the payment is flagged as a High Risk Funder by Accounts Receivable, full pre-payment should be secured</p>	<p>Companies (for which credit worth has been established) – quarterly in advance but up to 10% of the contract value may be retained until receipt of the final scientific report</p> <p>Companies (for which credit worth has been established) – for commercially-sponsored trials, payments in arrears based on patient visits/procedures can be accepted</p> <p>Charities (for which credit worth has been established) – quarterly in arrears, with up to 10% of the total award being retained until receipt of the final scientific report</p> <p>Research Councils – profile payments</p> <p>EU (CEC) funding H2020 – initial pre-payment, followed by annual cost statement</p> <p>European Research Council – initial advance payment, followed by interim cost statements</p> <p>UK Government Departments (DoH, DFID, etc.) – payment terms up to quarterly in arrears. A final</p>	Head of Research Contracts/Head of Research Operations	Finance Director ¹

¹ Or Chief Operating Officer, in Finance Director's absence

		payment of up to 10% may be retained until receipt of final scientific report		
	Invoicing – invoices to be submitted by LSHTM no more frequently than quarterly	No permitted exceptions		
	Outgoing funds To manage cashflow, the collaborator/subcontractor should receive payment no more frequently than LSHTM receives funding under the prime award	Advance payments may be agreed with referral to Finance Director	Head of Research Contracts/Head of Research Operations	Finance Director
Payment terms - currency	Incoming funds: GBP, where possible	USD, EUR Other accepted currencies: Canadian dollars, Japanese Yen, Gambian Dalasi, Ugandan Schilling	Head of Research Contracts/Head of Research Operations	Finance Director
	Outgoing funds: Payments to collaborators/subcontractors should be made in the same currency in which LSHTM receives funding under the prime award	Payment out in alternative currencies to that in which LSHTM receives payment under the prime award may be agreed, subject to approval by Research Finance Manager (for awards in alternative currency but request to pay third party in GBP)/Finance Director (for all other payment currencies)	Head of Research Contracts/Head of Research Operations	Research Finance Manager ² /Finance Director
Price	Pricing must be in line with LSHTM's Financial Regulations	Commercial agreements: recovery at less than LSHTM's minimum percentage recovery (100% FEC) must be approved by the Chief Operating Officer	Head of Research Contracts/Head of Research Operations	Chief Operating Officer
Financial Reporting	For incoming funds , reporting timelines should be in accordance with the following minimums: - Interim reports: at least 45 days from end of period to which report relates - Final reports: at least 90 days from end of project period The above timeframes are particularly	- Interim reports: at least 30 days from end of period to which report relates - Final reports: at least 60 days from end of project period The above timeframes are more	Head of Research Contracts/Head of Research Operations	Research Finance Manager/Head of Research Operations

² or Head of Research Operations, in Research Finance Manager's absence

	<p>important to achieve where LSHTM has subcontractors/collaborators</p> <p>For outgoing funds – ensure that there is provision for LSHTM to receive both interim and final reports from the third party sufficiently in advance of when we need to submit reports to the funder</p> <p>In relation to financial reports, collaborators/subcontractors should provide transaction analysis detail along with/within the report.</p>	<p>appropriate where LSHTM is undertaking all the work (i.e. no subcontractors/collaborators)</p>		
Audit	<p>If there is a funder requirement for an audit to be undertaken on the project, annually or otherwise, this must be at the funder's expense.</p>	<p>Rather than paying for the audit directly, the funder provides budget within the award, i.e. a School expense but reimbursed from the award</p>	<p>Head of Research Contracts/Head of Research Operations</p>	<p>Faculty Operating Officer</p>
Confidentiality	<p>Provisions to survive termination or expiration of the agreement for a maximum period of 5 years.</p> <p>Exclusions from confidentiality should encompass information which:</p> <ul style="list-style-type: none"> • was known prior to receipt • is independently developed or provided by a 3rd party who has the right to provide it • was in the public domain prior to receipt • enters the public domain through no fault of the recipient • is requires to be disclosed under law or order of court 	<p>Up to 10 years in exceptional circumstances</p> <p>Not necessary to include confidentiality provisions within grant terms if no information of this nature is intended to be exchanged</p>	<p>Head of Research Contracts/Head of Research Operations</p>	<p>Head of Research Contracts/General Counsel</p>
Intellectual Property				
<p>Background IP</p>	<p>School retains ownership of its Background IP</p> <p>A royalty-free, non-exclusive, non-transferable licence to Background IP owned or controlled by LSHTM may be granted solely for purposes and duration of the project (subject to any 3rd party rights)</p> <p>No licence to Background IP owned/controlled by LSHTM may be automatically granted for the purposes of exploitation, or to enable the use or commercialisation of</p>	<p>Inclusion of a provision that LSHTM may, on request, grant the funder/other party a non-exclusive licence to use LSHTM's Background IP for the purposes of</p>	<p>Head of Research Contracts/Head of Research Operations</p>	<p>Head of Research Contracts/General Counsel</p>

	another party's Arising IP.	exploiting Arising IP, <u>on terms to be agreed</u>		
Arising IP	<p>Bi-lateral academically-led, commercially-funded agreements:</p> <p>School owns all Arising IP and grants to the funder a royalty-free, non-exclusive licence to use such Arising IP for non-commercial research purposes/internal research and development purposes only</p>	<p>School owns the Arising IP and grants the funder a non-exclusive non-commercial/internal R&D licence and an option to an exclusive licence to use the Arising IP for commercial purposes, which may be restricted by field. Any option period granted may not exceed 3 months from the point of notification of the Arising IP to the funder</p> <p>In the case of a commercially-led (i.e. company has developed Protocol and is acting as Sponsor) clinical trial, the company may own the Arising IP. The School must retain a non-exclusive, royalty-free licence to use the Arising IP for academic research and teaching purposes.</p> <p>In the case of a project focused on testing or analysing a funder's materials, and based on a funder's research plan, the funder may own the Arising IP. The School must retain a non-exclusive, royalty-free licence to use the Arising IP for academic research and teaching purposes.</p>	Head of Research Contracts/Head of Research Operations	Head of Research Contracts/General Counsel
	<p>Academic Collaboration Agreements (whether two or more parties):</p> <p>Unless the Prime Contract requires otherwise, each party owns the Arising IP they independently generate and grants to the other(s) a royalty-free, non-exclusive licence to use its respective Arising IP for academic research and teaching purposes. NB. the academic licence to LSHTM must not be limited to "internal" research.</p>		Head of Research Contracts/Head of Research Operations	Head of Research Contracts/General Counsel

	<p>Jointly generated IP may be jointly owned by the generating parties, in proportion to inventive contribution (not automatically in equal shares) provided:</p> <ul style="list-style-type: none"> - wording is included to clarify the process for commercialising the jointly-owned Arising IP, e.g. the party that has made the greatest inventive contribution takes the lead. - each joint owner is free to use the jointly-owned Arising IP for non-commercial research purposes - neither/no joint owner is permitted to assign/commercially licence its rights in the jointly-owned Arising IP without the other joint owners' consent 			
	<p>Sub-contracts (i.e. research work which is subcontracted out to another party, including Participating Site Agreements):</p> <p>School owns all Arising IP and grants to the other party a royalty-free, non-exclusive licence to use such Arising IP for non-commercial research purposes</p>		Head of Research Contracts/Head of Research Operations	Head of Research Contracts/General Counsel
Arising IP Notification	A notification of Arising IP to a funder may be given but a timeframe for such notification must not be stipulated, e.g. to inform the funder within 30 days of its creation	No deviation without prior consultation with the appropriate School officer	Head of Research Contracts/Head of Research Operations	Head of Research Contracts
Commercial Terms	Except as expressly provided in the acceptable deviations, no commercial licence terms should be agreed, including licence fees, option fees, specific revenue share or equity agreements, or any other specific trading of intellectual property (Any such commercial terms will be negotiated by LifeArc, on behalf of LSHTM, as LSHTM's nominated technology transfer company)	<p>Any proposal to include commercial terms should in the first instance be discussed with the appropriate School officer</p> <p>Charities: Standard grant terms and conditions for revenue and equity sharing which follow the AMRC Guidelines on IP are acceptable</p>	Head of Research Contracts/Head of Research Operations	Head of Research Contracts/General Counsel

<p>Publication</p>	<p>The School must retain the unfettered right to publish the results of research it undertakes, including submission of a student thesis for examination, where applicable</p> <p>(The reason for this is that as an academic institution with charitable status, LSHTM must retain the free right to publish the results of the research it undertakes in order to meet its charitable aims and satisfy the public benefit test)</p>	<p>Delays in publication should be kept to a minimum and should be for the purpose of removing confidential information and/or to allow time for the protection of Arising IP only.</p> <p>Delays in publication for the purpose of protection of Arising IP should usually be for a maximum of 3 months from receipt of request to delay (which must be made within the review period for the draft publication). However, a delay of a maximum of 12 months from the point of submission of the draft publication for review may be accepted.</p> <p>Where joint publications are proposed, this is acceptable as long as the PI is comfortable with this. However, a provision must be included that should no joint publication be made within 12 months of the end of the project, LSHTM shall be free to publish independently (subject to the standard right of the other party(ies) to review the publication prior to submission)</p> <p>In the case of multi-centre clinical trial where LSHTM is a site, publication may be delayed until 12 months after completion/termination of the trial at all sites, as may be appropriate – please consult with the PI.</p> <p>A student thesis may be place on restricted access in accordance with LSHTM's regulations for restriction of access. No fixed period of embargo which is greater than 2 years should be agreed to in the contract.</p>	<p>Head of Research Contracts/Head of Research Operations</p>	<p>Head of Research Contracts</p>
<p>Publicity and Branding</p>	<p>No third party shall be permitted to use LSHTM's name or logo in any press release, product, product advertising, promotion, website, or for any other promotional purpose, without first obtaining LSHTM's</p>	<p>Any requests for deviation from the preferred term and any requests for LSHTM to follow a third party's branding guidelines or for LSHTM employees to be involved in any media/interviews, etc. must be</p>	<p>Head of Research Contracts/Head of Research Operations</p>	<p>Head of Communications and Engagement</p>

	written consent to do so.	referred to the Head of Communications and Engagement for approval.		
Insurance	<p>Each party to the agreement must be under an obligation to ensure that they have appropriate insurance policies to cover their potential liability under the agreement.</p> <p>For clinical studies involving a drug/device provided by a pharmaceutical (or similar) company, the company must confirm in the agreement that they have appropriate insurance coverages in the minimum amounts as per the requirements of local law, or otherwise a minimum £5million, for any one claim or a series of claims</p>	<p>The following terms require referral to the Financial Controller, where the other party is unwilling to remove the provisions:</p> <ul style="list-style-type: none"> terms which require LSHTM to name a beneficiary on any of its insurance policies terms which include a 'hold harmless' provision, whether reciprocal or not terms which waive subrogation rights 	Head of Research Contracts/Head of Research Operations	Financial Controller/Finance Director
Liability	All four aspects of liability and indemnity provisions below must be considered			
	<p>1. <u>Limitation of liability</u></p> <p>To the extent permitted by law, the liability of LSHTM should not extend to indirect or consequential losses.</p> <p>2. <u>Financial cap on liability</u></p> <p>Except where losses arise from death, personal injury, fraud or deliberate breach of agreement, or where losses cannot otherwise be limited by law, the aggregate liability of LSHTM should be limited to the contract value.</p> <p>The liability cap for non-funded agreements should not exceed £500,000.</p>	<p>No variation without referral to the Financial Controller</p> <p>Charities: Standard, non-negotiable grant terms and conditions for research may exclude a financial cap on liability, provided that LSHTM's liability does not extend to direct or consequential losses</p>	Head of Research Contracts/Head of Research Operations	Financial Controller/Finance Director
Indemnity	<p>3. <u>When can LSHTM provide an indemnity?</u></p> <p>The School may indemnify other parties only in the following circumstances:</p> <ul style="list-style-type: none"> for claims arising from LSHTM's negligence or breach of statutory duty in the course of undertaking 	No other variation without referral to the Financial Controller	Head of Research Contracts/Head of Research Operations	Financial Controller/Finance Director

	<p>the research</p> <ul style="list-style-type: none"> LSHTM may indemnify an NHS organisation/other participating site undertaking a School-sponsored study for any claims against them arising from their undertaking the study in accordance with the Protocol, except to the extent that such claims arise from the wrongful acts/omissions, negligence, or breach of statutory duty on the part of the NHS organisation/other participating site <p>N.B. an indemnity for any and all material breach should not be given.</p>			
	<p>4. <u>When should LSHTM receive an indemnity?</u></p> <p><u>Non-clinical research</u></p> <p>For commercially-funded projects, LSHTM should receive an indemnity against use by the company of any results or materials generated in the course of the project</p> <p><u>Clinical research</u></p> <p>Commercially-led clinical trials: the company must provide the standard Association of British Pharmaceutical Industry (ABPI) indemnity</p> <p>Academically-led clinical studies for which LSHTM is the Sponsor: where subsidised drug/device is supplied to LSHTM by a pharmaceutical (or similar) company, the company should indemnify LSHTM against product liability claims arising from study participants and also warrant that the product/device is suitable for the uses outlined in the Protocol</p>	<p>If the company is unwilling to provide an indemnity, an experimental waiver MUST be included (i.e. a provision stating research is experimental in nature and that no particular results or outcomes are guaranteed)</p> <p>No other variation without referral to the Financial Controller</p> <p>No other variation without referral to the Financial Controller</p>	<p>Head of Research Contracts/Head of Research Operations</p>	<p>Financial Controller/Finance Director</p>
Termination	Termination right and notice period		Head of Research Contracts/Head	Head of Research Contracts

	<p>Either/any party should be entitled to terminate the agreement on no less than 3 months' written notice to the other(s); LSHTM should always retain reciprocal rights in this regard</p> <p>Any/either party shall be entitled to terminate the agreement where a party is in breach and fails to remedy such breach within 60 days of receipt of notice thereof from a non-breaching party</p> <p>Termination with immediate effect is acceptable where:</p> <ul style="list-style-type: none"> - a breach capable of remedy is not remedied within 60 days of receipt of notice of the breach by the breaching party - a party becomes insolvent, etc. <p>Multi-party collaboration agreements: LSHTM should retain a right to withdraw from the collaboration, with a maximum notice period of 3 months</p> <p><u>Payment of termination costs</u></p> <p>Where LSHTM is in receipt of funding, on termination of the agreement, the party providing the funding shall pay all costs incurred and non-cancellable commitments (including salary costs) entered into up the date of termination.</p>	<p>Period of remedy for LSHTM may be reduced to no less than 30 days</p> <p>For clinical studies, LSHTM may terminate with immediate effect if:</p> <ul style="list-style-type: none"> - regulatory approvals are withdrawn - the study must cease in the interests of the health of participants - where medicinal products become unavailable - where the PI becomes unavailable and a suitable replacement cannot be found <p>For sub-agreements/collaboration agreements – termination may take immediate effect if the prime agreement is terminated with immediate effect</p> <p>Acceptable for there to be no right to withdraw within the first 12 months of the project</p> <p>Payment of costs where termination is due a breach of contract by LSHTM may be excluded</p>	<p>of Research Operations</p>	
<p>Warranties</p>	<p>No specific warranties should be given, other than that LSHTM is able to enter into and be bound by the</p>	<p>In exceptional circumstances only, a qualified warranty may be included in relation to infringement</p>	<p>Head of Research Contracts/Head of Research Operations</p>	<p>Head of Research Contracts/General Counsel</p>

	<p>agreement</p> <p>An experimental research waiver should be included, where appropriate (i.e. that research is experimental in nature and no particular result/outcome can be guaranteed)</p>	<p>of third party IP rights, i.e. "to the best of its knowledge, without having conducted specific searches"</p> <p>Warranties in relation to compliance with applicable anti-bribery and corruption legislation may be accepted.</p> <p>For projects involving human subjects, their samples or their data, warranties regarding compliance with applicable laws may be accepted</p>		
Governing law and jurisdiction	<p>English law and jurisdiction.</p> <p>Silence is NOT acceptable as it creates risk of satellite litigation on choice of law</p>	<p>For EU funded projects, Belgian law is acceptable</p> <p>For jurisdiction only, if England cannot be agreed, propose arbitration (see Alternative dispute resolution below)</p>	Head of Research Contracts/Head of Research Operations	Head of Research Contracts/General Counsel
Alternative dispute resolution	<p>A layered clause is acceptable as follows:</p> <p>Contracts up to £500k:</p> <ul style="list-style-type: none"> internal negotiation –General Counsel, Chief Operating Officer or Director, based on level proposed by other side; <p>Contracts over £500k</p> <ul style="list-style-type: none"> internal negotiation formal mediation (parties agree to mediate using Centre for Effective Dispute Resolution model mediation procedure). <p>Contracts where arbitration is requested by the other side</p> <ul style="list-style-type: none"> see adjacent column 	<p>If an acceptable jurisdiction cannot be agreed, propose London Court of International Arbitration instead, as follows:</p> <p>"Any dispute arising out of or in connection with this contract, including any question regarding its existence, validity or termination, shall be referred to and finally resolved by arbitration under the LCIA Rules, which Rules are deemed to be incorporated by reference into this clause. The number of arbitrators shall be one. The seat, or legal place, of arbitration shall be London, UK. The language to be used in the arbitration shall be English. The governing law of the contract shall be the substantive law of [England and Wales / Belgium / check any other with Legal Services]."</p>	Head of Research Contracts/Head of Research Operations	General Counsel
Other	<p>The School should not be committed for more than 5 years to a contract or framework of projects</p>	<p>No deviations without prior consultation</p>	Head of Research Contracts/Head of Research Operations	Chief Operating Officer
	<p>The School should not be</p>	<p>Provided the third party's</p>	Head of Research Contracts/Head	Head of Research

	contractually obliged to comply with a third party's institutional policies, e.g. anti-bribery policy, safeguarding policy, etc.	institutional policy is aligned with LSHTM's equivalent policy, it is acceptable to state that LSHTM will comply with the principles set out in their policy(ies), which should be annexed to the agreement, for clarity	of Research Operations	Contracts/General Counsel
	Non-solicitation clauses are not acceptable as they are unmanageable for an institution the size of LSHTM	Can be accepted if the obligation not to solicit employees of the other party is limited to the PI, provided that the PI is made aware and is happy to comply. Non-solicitation clauses are generally not enforceable in English law if they are too widely drafted. Geographical limits should be resisted. Time limits should not usually exceed three months, but up to six months may be acceptable with General Counsel approval.	Head of Research Contracts/Head of Research Operations	Head of Research Contracts/General Counsel

APPENDIX II: GLOSSARY OF TERMS

Term	Acronym (if used)	Definition
'Academic Freedom to Operate'		A key consideration in a research contract and refers to the PI's future ability to publish and engage in further research. Not being able to publish could affect a PI's career and future ability to engage with potential sponsors and carry out research. The ability of LSHTM to engage in future research projects should not be constrained because the IP terms limit the use of IP generated from the project.
Commercially funded (or Commercial funding)		A research project which is funded by a commercial entity (e.g. pharmaceutical company), as opposed to a non-commercial funder (e.g. charities, Research Councils, government departments, etc.)
Confidentiality		The provisions in a research contract concerning the protection of sensitive information exchanged between LSHTM and a third party
High Risk Funder		Judgment of an organisation's current and future ability, and inclination to honour debt obligations as agreed upon, based on the credit history, credit rating, and character of the entity.
Intellectual Property	IP	Intellectual Property is intangible property that is the result of creativity. Intellectual Property can refer to a number of different rights, e.g. patents, confidential information, database rights, copyright etc. which may have commercial value. The results or outcomes of a research project can be viewed as IP, and are often referred to as <i>Arising or Foreground IP</i> . IP created prior to or outside of entering into a particular contract is often referred to as <i>Background IP</i> .
Law and Jurisdiction		This refers to which law the contract will be interpreted under, and the courts of the country in which a claim may be heard.
Liability and Insurance		This refers to the legal obligation of a party when committing a wrong or default on the contract. In such instance, whoever commits the act will be responsible or liable for it. In many instances liability is limited to a specific value to mitigate the financial risk. Insurance provisions cover the financial aspect of liability, but may also cover any warranties or assurances that may be given on particular points in the contract.
Payment Terms		The method, frequency, currency and amount of payment the party making payment may agree to, for example quarterly in advance.
Price		The amount of money a third party is willing to pay. This represents the amount of money LSHTM will actually receive regardless of the cost of the research.
Termination		The agreed provisions under which each party may end a research contract. These should typically include notice periods, whether payment of outstanding costs will be honoured, or return of information or materials provided under the contract.
Warranties		Clauses in a contract where one party promises or gives assurance to the other, and which may give rise to liabilities should that party fail to deliver.

APPENDIX III: DEFINITION OF ‘RESEARCH’

At its simplest, research is understood as original investigation undertaken in order to gain knowledge and understanding for the public benefit. Universities are required to ensure only appropriate activity is classified as research in their statistical returns and such activity provides public benefit (and therefore exempt from corporation tax).

However, deciding whether an activity is research (or not) is often not straightforward, as the context of the activity must be considered together with the content. The Frascati Manual (the internationally recognised methodology for collecting and using R&D statistics) provides the founding definition, and is also used for the purpose of various statutory returns. The consequences of incorrectly stating activity and income as research could include LSHTM becoming liable for tax, being ineligible to apply for funding from certain research organisations, and subsequent reputational damage.

Frascati Definition of Research

“Research and experimental development (R&D) comprise creative work undertaken on a systematic basis in order to increase the stock of knowledge, including knowledge of man, culture and society, and the use of the stock of knowledge to devise new applications.”

“R&D” is a term covering three activities: (i) basic research, (ii) applied research, and (iii) experimental development.

Basic research is experimental or theoretical work undertaken primarily to acquire new knowledge of the underlying foundation of phenomena and observable facts, without any particular application or use in view.

Applied research is also original investigation undertaken in order to acquire new knowledge. It is, however, directed primarily towards a specific practical aim or objective.

Experimental development is systematic work, drawing on existing knowledge gained from research and/or practical experience, which is directed to producing new materials, products or devices, to installing new processes, systems and services, or to improving substantially those already produced or installed.

General exclusions to the definition of ‘research’

Reference to the Frascati Manual should be made for detailed analysis of exclusions, but general exclusions to highlight are:

- education and training, other than PhD research
- general purpose data collection (such as recording weather statistics)
- routine testing and analysis of materials, components, products, processes, etc.
- feasibility studies
- policy-related studies
- phase IV clinical trials (unless they result in a further scientific or technological advance).